The California Department of Housing and Community Development (HCD) is the grantee of CDBG-MIT funds allocated by the U.S. Department of Housing and Urban Development (HUD) as a result of the 2017 disasters. HUD appropriated $212 million in CDBG-DR funds to the state of California to address impacts from disasters that occurred in 2017. Of the total, $124 million is to address unmet recovery needs (CDBG-DR) and $88 million is for preparedness and mitigation needs (CDBG-MIT).

What are CDBG and CDBG-MIT Funds?
The CDBG Program provides annual grants to states, cities, and counties to develop viable communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. CDBG-MIT funds are a new source of CDBG funds intended to fund mitigation projects that lessen the impact of future disasters.

How does HUD define mitigation?
HUD defines mitigation as those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters. This is different from the CDBG-DR funds as CDBG-MIT projects take a preventative approach and do not need to demonstrate a direct connection, or "tie-back," to the impacts or recovery needs to the disaster.

What is the timeline for receiving CDBG-MIT funds?
CDBG-MIT funds follow a similar process to the CDBG-DR funds. The following chart includes key dates and milestones for the CDBG-MIT Action Plan. The Action Plan provides key details on mitigation needs and on the State’s approach to using the CDBG-MIT funds.

<table>
<thead>
<tr>
<th>Funds Issued Date</th>
<th>Public Meeting #1</th>
<th>Deadline to Begin Public Comment on Action Plan</th>
<th>Public Comment Period</th>
<th>Public Meeting #2</th>
<th>Due Date for Action Plan</th>
<th>Estimated HUD Approval Date</th>
<th>50% of Funds Expended</th>
<th>100% of Funds Expended</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 30, 2019</td>
<td>December 2019 (est.)</td>
<td>February 21, 2020 45 days after Action Plan posted</td>
<td>February 2020 (est.)</td>
<td>April 6, 2020</td>
<td>June 5, 2020</td>
<td>6 years (June 2026)</td>
<td>12 years (June 2032)</td>
<td></td>
</tr>
</tbody>
</table>

How can CDBG-MIT funds be used?
CDBG-MIT funds may be used to support infrastructure projects, housing activities, public services, economic development, disaster preparedness, and planning efforts. All CDBG-MIT activities must increase resilience and reduce or eliminate risk, per HUD’s definition of mitigation. Like prior CDBG-DR funds, 50% of CDBG-MIT funds must also be used to benefit low-to-moderate income (LMI) areas.

Projects and programs must connect to identified risks in existing state or local hazard mitigation plans and promote the use of natural or green infrastructure where possible. Activities must also demonstrate that costs are necessary and reasonable and that there is a strategy to fund operations and maintenance...
Community Development Block Grant
Mitigation (CDBG-MIT)

for the life of the project. HUD also expects programs and projects to be supported with other sources of funds, also known as “leverage.”

Where can CDBG-MIT funds be used?
CDBG-MIT funds can only be expended to implement mitigation activities in, or benefit, the areas designated as the Most Impacted and Distress (MID) areas from the 2017 fires. HUD will also consider additional areas as MID if the State can provide sufficient evidence of disaster impacts. The table and map below identify the 2017 MID areas.

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