



## HUD CDBG-MIT OVERALL REQUIREMENTS SUMMARY

**Overview:** HUD published a Federal Register [Notice](#) on August 30, 2019 detailing the requirements for grantees receiving CDBG-MIT funds.

**TABLE 1: ALLOCATIONS FOR MITIGATION ACTIVITIES**

<b>Grantee (Disaster Numbers)</b>	<b>CDBG-MIT Allocation</b>	<b>MID Expenditure Requirements</b>	<b>HUD-Identified MID Areas</b>
State of California (4344, 4353)	\$88,219,000	\$44,109,500	Sonoma and Ventura Counties; 93108;94558;95422;95470; and 95901 Zip Codes
State of Florida (4280, 4283, 4337, 4341)	\$633,485,000	\$316,742,500	Brevard, Broward, Clay, Collier, Duval, Hillsborough, Lee, Miami Dade, Monroe, Orange, Osceola, Palm Beach, Polk, St. Johns, St. Lucie, and Volusia counties; 32084, 32091, 32136, 32145, 32771 33440, 33523, 33825, 33870, 32068, 33935, and 34266 Zip Codes
State of Louisiana	\$1,213,917,000	\$606,958,500	East Baton Rouge, Livingston, Ascension, Tangipahoa, Ouachita, Lafayette, Vermilion, Acadia, Washington, and St. Tammany Parishes
Georgia (4294, 4297, 4338)	\$26,961,000	\$13,480,500	31520, 31548, and 31705 Zip Codes
Missouri (4317)	\$41,592,000	\$20,796,000	43935, 43965, 64850, 65616, and 65775 Zip Codes
North Carolina (4285)	\$168,067,000	\$84,033,500	Bladen, Columbus, Cumberland, Edgecombe, Robeson, and Wayne Counties.
South Carolina (4241, 4286)	\$157,590,000	\$50,978,000	Charleston, Clarendon, Dorchester, Florence, Georgetown, Horry, Marion, Sumter, and Williamsburg Counties.
Columbia, SC (4241)	\$18,585,000	\$18,585,000	Columbia
Lexington County, SC (4241)	\$15,185,000	\$15,185,000	Lexington County Urban County Jurisdiction
Richland County, SC (4241)	\$21,864,000	\$21,864,000	Richland County Urban County Jurisdiction
State of Texas (4223; 4245; 4266; 4269; 4272; 4332)	\$4,297,189,000	\$2,105,646,500	Aransas, Brazoria, Chambers, Fayette, Fort Bend, Galveston, Hardin, Harris, Hays, Hidalgo, Jasper, Jefferson, Liberty, Montgomery, Newton, Nueces, Orange, Refugio, San Jacinto, San Patricio, Travis, Victoria, and Wharton counties; 75979, 77320, 77335, 77351,77414, 77423, 77482, 77493, 77979, 78934, 78945, 77612, 75956, 77632, and 78377 Zip Codes.
Houston, TX (4223,4245)	\$61,884,000	\$61,884,000	Houston, TX
San Marcos, TX (4223, 4245)	\$24,012,000	\$24,012,000	San Marcos, TX
State of West Virginia (4273)	\$106,494,000	\$53,247,000	Greenbrier, Clay, Kanawha and Nicholas Countries



I. CDBG-MIT REQUIREMENTS

- **Mitigation Definition:** 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.”
- **Data Driven:** HUD created the CDBG-MIT program to support data-informed investments, focusing on repetitive losses of property and critical infrastructure. Grantees must draft Action Plans using a Mitigation Needs Assessment to drive resource and planning decisions.
- **Grant Submission Deadlines:** Grantees must submit financial certifications, post a draft Action Plan for public comment, and submit their Action Plan for review by HUD according to a specific timeline (see TABLE 2).
- **Expenditure Deadlines:** 50 percent of the grant funds must be spent within six years with the remainder spent within 12 years, unless a waiver is approved by HUD.
- **FEMA HMGP:** HUD has structured CDBG-MIT funds to complement HMGP policies and processes wherever possible. Grantees are to use their Hazard Mitigation Plan (HMP) to drive the drafting of their CDBG-MIT Action Plan.

TABLE 2: TIMELINES FOR PREPARATION AND SUBMISSION OF CDBG-MIT ACTION PLANS

CDBG-MIT Cohort	Due Date for Certifications	Last Day to Post Action Plan for Public Comment	Action Plan Submittal to HUD	Estimated HUD Approval Date
2015 and 2016 State Grantees	December 5, 2019	December 20, 2019	February 3, 2020	April 3, 2020
Local Government Grantees	January 2, 2020	January 17, 2020	March 2, 2020	May 1, 2020
2017 State Grantees	February 6, 2020	February 21, 2020	April 6, 2020	June 5, 2020

II. FUNDING REQUIREMENTS

- **LMI National Objective:** 50 percent of total funds must benefit low-to-moderate income (LMI) persons, unless a waiver request demonstrates compelling need to lower this requirement.
- **LMI Priority:** Grantees must prioritize activities that benefit low-and moderate-income families.
- **Disaster Tie Back:** CDBG-MIT grantees are not required to show a tie-back to a qualifying disaster for these activities.

III. MOST IMPACTED AND DISTRESSED AREAS

- **HUD-Identified MID Area:** 50 percent of all CDBG-MIT funds must be used to address identified risks within the HUD-identified MID areas (see TABLE 1).
  - **Admin Expenses:** 50 percent of grantee’s admin expenditures will count towards the HUD-identified MID if the grantee has described how they will benefit the MID.
  - **Planning Activities:** May be counted towards the HUD-identified MID area if the action plan describes how planning activities benefit the HUD-identified MID area.
- **Modifying MID Areas:** Grantees who wish to add a MID area to the HUD-identified MID area must provide a data-driven analysis that illustrates the basis for designating the additional area as most impacted and distressed as a result of the qualifying disaster. Grantees must include the analysis in the CDBG-MIT Action Plan and amend their corresponding CDBG-DR Action Plan.
- **Expenditures outside HUD-identified MID areas:** Investments made outside of the HUD or grantee identified MID must ultimately demonstrate impacts to the MID.



#### IV. NATIONAL OBJECTIVE REQUIREMENTS

- HUD has created a new **National Objective - Urgent Need Mitigation (UNM)**. To meet this National Objective, CDBG-MIT activities must:
  - Address the current and future risks as identified in the grantee's Mitigation Needs Assessment; and
  - Result in a measurable and verifiable reduction in the risk of loss of life and property.
- **Documenting UNM National Objective:** Grantees must maintain documentation of the measurable and verifiable reduction in risk that will be achieved upon completion of the activity.
- **Slum and Blight:** Unless a grantee has received prior approval from HUD, the slum and blight national objective designation may not be used for CDBG-MIT activities.

#### V. USE OF FUNDS

- **Administrative Costs**
  - Grantees may use up to 5 percent of the CDBG-MIT award for admin. Grantees may use grant administration funds for its CDBG-MIT grants and the CDBG-DR grant associated with the mitigation notice interchangeably, provided that the grantee has in place proper financial controls to track the source of funds.
    - Grantees who utilize this option must modify financial management policies and procedures and update their certifications to reflect this.
  - HUD will apply 50 percent of a grantee's expenditures for grant administration if HUD determines the grantee has spent adequate funds (50 percent) in the MID areas.
- **Planning Costs**
  - Grantees are allowed to use 15 percent of their total grant amount or \$750 million, whichever is less, on planning costs.
  - Planning funds may be used to update HMPs or for other local or regional plans.
- **Reimbursement**
  - Pre-award mitigation costs cannot be reimbursed to homeowners, businesses, or other entities.
- **Homeowner Assistance**
  - Assistance may be granted to applicants earning up to 120 percent of AMI. Down payment assistance may be provided up to 100 percent of the down payment amount.
  - Assistance may only be provided to individuals with flood insurance.
- **Interim Mortgage Assistance**
  - Allowed if paired with other program activities, such as buyouts.
- **Program Income:**
  - Up to five percent of program income may be allocated toward administrative costs.