The California Department of Housing and Community Development (HCD) is the grantee of CDBG-DR funds allocated by the U.S. Department of Housing and Urban Development (HUD) as a result of the 2017 disasters. HCD works with local governments and organizations to fund programs that provide long-term recovery assistance for housing, infrastructure, and economic revitalization. While Federal Emergency Management (FEMA) and the California Office of Emergency Services provide immediate post-disaster response and emergency management services, CDBG-DR funds provide funds for long term disaster recovery.

**What are CDBG and CDBG-DR 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-DR funds are based on disaster impacts and are for the purpose of addressing the long-term recovery needs of a community.

**How can CDBG-DR funds be used?**

CDBG-DR funds may be used for housing, restoration of infrastructure, economic revitalization, planning, public services, and disaster preparedness.

**How much CDBG-DR funding has been allocated to the state of California?**

HUD appropriated $212,374,000 in CDBG-DR funds to the state of California to address impacts from disasters that occurred in 2017. Of the total, $124,155,000 is intended to address unmet recovery needs and $88,219,000 is to be used for preparedness and mitigation needs.

**What is the timeline for receiving CDBG-DR funds?**

This timeline below represents current estimates for the $124 million for addressing unmet needs and will be adjusted based upon the actual publication date and terms of the Federal Register Notice. The $88 million in mitigation funds will be provided to HCD via a separate grant, but the timeline for release is to be determined.
What are Unmet Recovery Needs?
Unmet recovery needs are recovery needs that remain after other recovery funding sources are used, such as FEMA, Small Business Administration, charitable donations, insurance payments, and state funds for housing, infrastructure, and economic revitalization recovery efforts.

Where can CDBG-DR Funds be used?
Funds can only be expended within federally declared disaster areas under DR-4344 and DR-4353. Furthermore, HUD requires that 80% ($99,324,000) of the total allocation is spent in the designated most impacted and distressed areas. The remaining 20% may be spent in the other federally declared disaster areas.


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