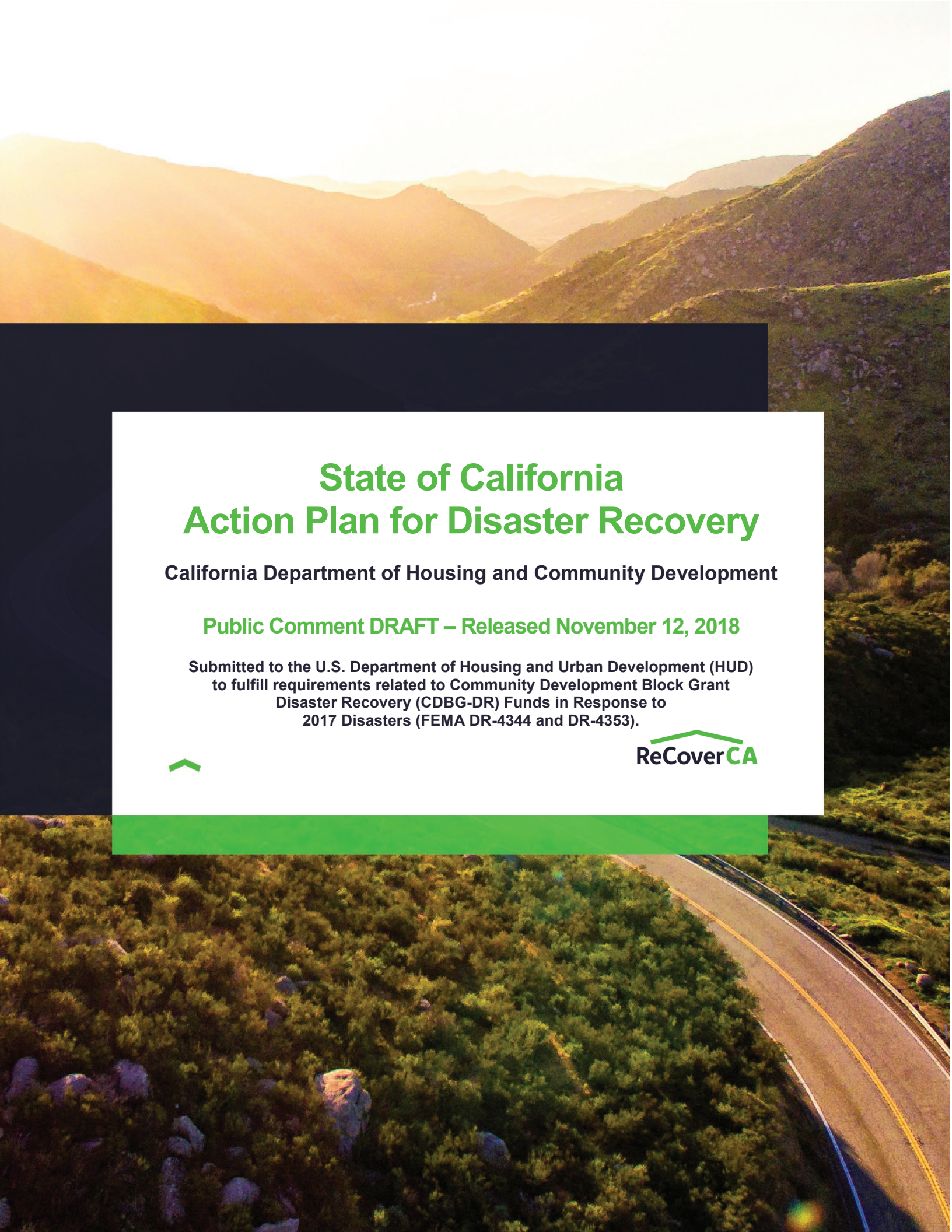




State of California Action Plan for Disaster Recovery

California Department of Housing and Community Development

Public Comment DRAFT – Released November 12, 2018

Submitted to the U.S. Department of Housing and Urban Development (HUD)
to fulfill requirements related to Community Development Block Grant
Disaster Recovery (CDBG-DR) Funds in Response to
2017 Disasters (FEMA DR-4344 and DR-4353).



**ReCoverCA**

State of California Unmet Needs Action Plan

Contents

I.	Executive Summary	1
1.	October Wildfires (DR-4344)	1
2.	December Wildfires, Mudflows, and Debris Flows (DR-4353)	2
3.	Ongoing Threat.....	2
4.	Anticipated Unmet Recovery Needs.....	3
5.	Conclusion	4
II.	Needs Assessment	4
1.	Background.....	5
2.	Summary of Disaster Impacts	8
a.	October Wildfires (DR-4344).....	8
b.	California Wildfires, Flooding, Mudflows, And Debris Flows (DR-4353).....	10
c.	HUD Designated Most Impacted and Distressed Areas	11
3.	Resilience Solutions and Mitigation Needs.....	14
a.	Housing Resilience	14
b.	Infrastructure Resilience	15
4.	Demographic Profile of Impacted Counties	15
5.	Impacts on Low- and Moderate-Income Populations.....	19
a.	Social Vulnerability Index	22
6.	Housing Impact.....	26
a.	Cost Burdened Households	28
b.	Homeless Persons.....	29
c.	Mobile Housing Units	31
d.	California Social Service Programs.....	32
e.	2-1-1 California	32
f.	California HOPE Program	34
g.	Disaster CalFresh	34
h.	Insurance.....	35
7.	Impact on Vulnerable Populations.....	46
a.	Population with Disabilities.....	47

b. Elderly Population	48
c. Population with Limited English Proficiency	49
8. Analysis of Housing Unmet Need.....	50
a. Overview of Data Sources	50
b. Limitations of Data	51
c. FEMA Individual Assistance.....	52
d. Small Business Administration Disaster Loans	60
e. California Department of Forestry and Fire Protection Damage Assessment Data.....	64
f. Homeowner Insurance.....	65
g. Summary of Impacts	67
h. Alternative Methodology	68
i. Infrastructure Impact.....	70
j. Economic Impact	72
k. Small Business Administration (SBA) Business Disaster Loans.....	82
l. Impact on Public Services.....	86
m. Mitigation and Resilience	88
n. Unmet Needs Summary.....	89
III. General Requirements	90
1. Rehabilitation/Reconstruction of Public Housing, Affordable Housing and other forms of Assisted Housing	90
a. Identification of Impacted Areas	90
b. Public Housing Needs.....	91
c. Sources of Funding for Affordable Housing Unmet Needs	91
d. Affordable Rental Housing Needs	91
e. Affordable Rent, Tenant Income Limits, and Minimum Affordability Period	91
f. Fair Housing	92
g. Demonstrable Hardship	92
h. Not Suitable for Rehabilitation.....	93
2. Housing for Vulnerable Populations	93
a. Emergency Shelters and Transitional Housing.....	93
b. Permanent Supportive Housing	93
c. Housing for Homeless and Persons At-Risk of Homelessness.....	94

d. Promote Housing for Vulnerable Populations.....	94
3. Displacement of Persons and/or Entities.....	97
4. Protection of People and Property	97
5. Construction Standards.....	100
a. Green Building Standards	100
b. Residential Construction Standards	101
c. Small Business Rehabilitation Construction Standards	101
d. Elevation Standards.....	101
e. Appeals Process	102
6. Planning and Coordination.....	102
a. Long-term Recovery Planning.....	103
b. Statewide Planning Efforts	103
c. Coordination with Local and Regional Planning Efforts	105
7. Resilience to Natural Hazards.....	108
8. Leveraging Funds	109
IV. Proposed Disaster Recovery Programs.....	114
1. Allocation of Funds	114
a. Method of Distribution	117
b. HCD Administered	117
c. Subgrantee Administered.....	117
d. Criteria to Determine Method of Distribution.....	118
e. Program Allocations.....	118
f. Unmet Needs.....	118
2. Housing Recovery Programs	119
a. Owner Occupied Housing Rehabilitation and Reconstruction Program	119
b. Multifamily Housing Program	123
3. Infrastructure Recovery Programs.....	126
a. FEMA-Public Assistance Match Infrastructure Program	126
4. Economic Revitalization Programs.....	129
a. Workforce Recovery Program.....	130
b. Small Business Recovery Program.....	131

5. Remaining Unmet Needs	132
6. Long-term Commitments	132
V. Citizen Participation	133
1. Publication	133
2. Consideration of Public Comments	134
3. Citizen Complaints	134
4. Substantial Amendment	134
5. Non-substantial Amendment	135
6. Community Consultation	135
a. Tribal Consultation	135
b. Stakeholder Consultation	136
c. Local Government Consultation	136
d. Public Meetings	136
e. Stakeholder and Public Meeting Comments.....	137
7. Public Website	138
8. Waivers.....	138
VI. Administration and Planning	139
1. Application Status	139
2. Program Budget.....	140
3. Program Income	140
4. Projection of Expenditures and Outcomes	140
VII. Certification and Risk Analysis	142
1. CDBG-DR Certifications.....	142
2. SF-424	144
VIII. Appendices	145

List of Figures

Figure 1: Federally Declared Disaster Areas	5
Figure 2: FEMA DR-4344 Disaster Declaration	6
Figure 3: FEMA DR-4353 Disaster Declaration	7
Figure 4: LNU Complex Fires, October 2017 – DR-4344	9
Figure 5: Wind Complex Fires, October 2017 – DR-4344	10
Figure 6: DR-4353 Wildfires, Debris Flows, and Mudflows	11
Figure 7: Most Impacted Counties & Zip Codes	13
Figure 8: Income/Economic Demographics	16
Figure 9: Housing Demographics	16
Figure 10: Demographics	18
Figure 11: Education Demographics	19
Figure 12: Low- and Moderate-Income Analysis	20
Figure 13: Northern California Low- and Moderate-Income Areas	21
Figure 14: Southern California Low- and Moderate-Income Areas	22
Figure 15: Social Vulnerability Index (SoVI) of Impacted Counties	23
Figure 16: Key Factors of the Overall Social Vulnerability Index (SoVI) Scores	24
Figure 17: Map of SoVI By Census Tract – Northern California	25
Figure 18: Map of SoVI by Census Tract – Southern California	26
Figure 19: Cost Burden	28
Figure 20: Affected Continuum of Care Entities	30
Figure 21: 2017 Point-in-Time Count	30
Figure 22: Mobile Housing Units in Impacted Counties	32
Figure 23: DR-4353 2-1-1 Call Volume	33
Figure 24: DR-4344 2-1-1 Call Volume	34
Figure 25: D-SNAP New Applicants for DR-4344 & DR-4354	35
Figure 26: Total Reported Claims and Direct Incurred Losses by Insurance Type	38
Figure 27: Insurance Claims and Losses in Disaster Areas	40
Figure 28: DR-4344 Total Home Loans Approved by SBA	42
Figure 29: DR-4353 Total Home Loans Approved by SBA	43
Figure 30: Total Home Loans Approved by SBA in Most Impacted Areas	43
Figure 31: HUD Assisted Housing In Impacted Areas	44
Figure 32: Public housing authorities in DR-4344 area	46
Figure 33: Public housing authorities in DR-4353 area	46
Figure 34: DR-4344 Noninstitutionalized Persons with a Disability	48
Figure 35: DR-4353 Noninstitutionalized Persons with a Disability	48
Figure 36: Population 65 Years and Over	48
Figure 37: Population 65 Years and Over	49
Figure 38: DR-4344 Spanish Language Spoken at Home By Ability to Speak English (Ages 5+)	50
Figure 39: DR-4353 Spanish Language Spoken at Home by Ability to Speak English (Ages 5+)	50
Figure 40: Total FEMA Individual Assistance Applications	52

Figure 41: Serious Unmet Housing Need Multipliers (Provided by HUD).....	53
Figure 42: FEMA IA Damage Category by Owner and Renter Households.....	54
Figure 43: FEMA IA Major/Severe Damage by County (4344) – Northern California.....	55
Figure 44: FEMA IA Major/Severe Damage by Census Tract (4344) – Orange County Only	56
Figure 45: FEMA IA Major/Severe Damage by County (4353)	57
Figure 46: FEMA IA Owner occupied Households with Unmet Needs.....	58
Figure 47: FEMA IA Owner occupied Households by Damage Category – No Insurance	58
Figure 48: FEMA IA Renter occupied Unmet Need by Income Category	59
Figure 49: FEMA IA Owner occupied Damage by Category.....	59
Figure 50: FEMA IA Unmet Need by Category for 4344 and 4353	60
Figure 51: SBA Disaster Home Loan – Median Cost to Rebuild by Type	61
Figure 52: SBA Average Real Estate Loss by Impacted County	61
Figure 53: SBA Applicants & Real Estate Loss by County for 4344 and 4353.....	62
Figure 54: SBA Loan Status by Type of Verified Loss.....	62
Figure 55: SBA Ratio Calculation	63
Figure 56: SBA Commercial Loan – Real Estate by NAICS Code	64
Figure 57: CAL FIRE Damage by Property Category	64
Figure 58: CAL FIRE Residential Structure Damage Survey by County	65
Figure 59: Residential Insurance Claims Resulting from 4344 and 4353 Disasters	65
Figure 60: Residential Insurance Claims by County	66
Figure 61: Impact Summary by Data Source.....	67
Figure 62: Alternative Owner occupied Calculation	69
Figure 63: FEMA Cost Share by Disaster.....	71
Figure 64: Local Share Unmet Needs for FEMA Public Assistance 4344 Only, August 2018	71
Figure 65: Local Share Unmet Needs for FEMA Public Assistance 4353 Only, August 2018	72
Figure 66: Local Share Unmet Needs for FEMA Public Assistance 4344 and 4353, August 2018	72
Figure 67: DR-4344 2016-2017 Employment.....	73
Figure 68: DR-4353 2016-2017 Employment.....	74
Figure 69: Most Impacted and Distressed Area 2016-2017 Employment.....	74
Figure 70: Disaster Unemployment Claims in Impacted Areas.....	76
Figure 71: Commercial Property Insurance Claims	78
Figure 72: DR-4344 Agricultural Losses.....	79
Figure 73: DR-4353 Agricultural Losses.....	80
Figure 74: Estimated Tourism Impacts DR-4344.....	81
Figure 75: Estimated Tourism Impacts DR-4344.....	82
Figure 76: Estimated Tourism Impacts	82
Figure 77: Total Business Loans Approved by SBA	83
Figure 78: SBA Business/EIDL Loan Approval Map.....	84
Figure 79: DR-4344 Business Loans Approved by SBA.....	85
Figure 80: DR-4354 Business Loans Approved by SBA.....	85
Figure 81: Business Loans Approved by SBA in Most Impacted and Distressed Areas	86
Figure 82: DR-4344 and DR-4353 HMGP Projects	88
Figure 83: Unmet Needs Summary – HUD Methodology	89

Figure 84: Unmet Needs Summary – Alternative Methodology	90
Figure 85: Fire Hazard Severity Zones in State Responsibility Areas	99
Figure 86: Safety Elements by Impacted County.....	106
Figure 87: Summary of State Housing Related Programs Complementary to CDBG-DR.....	111
Figure 88: Summary of Federally Funded Programs Administered by HCD	114
Figure 89: CDBG-DR Funding Summary	116
Figure 90: CDBG-DR Programs Summary	117
Figure 91: Total Unmet Housing Recovery Need	119
Figure 92: Owner occupied Housing Recovery Applicant Prioritization	121
Figure 93: Unmet Owner occupied Housing Recovery Need.....	123
Figure 94: Per Unit CDBG-DR Funding Limit	123
Figure 95: MultiFamily Housing Recovery by Subgrantee Allocation.....	124
Figure 96: Unmet Rental Housing Recovery Need.....	126
Figure 97: PA Match Program Allocation by Subgrantee Allocation	128
Figure 99: Unmet Infrastructure Recovery Need	129
Figure 100: CDBG-DR Funding Summary	140
Figure 101: Budget Schedule Key.....	141

I. Executive Summary

In April 2018, the U.S. Department of Housing and Urban Development (HUD) announced that the State of California will receive \$212 million in funding to support long-term recovery efforts following the devastation of wildfires, flooding, mudflows, and debris flows in October and December of 2017. This Action Plan covers the \$124 million in CDBG-DR funds appropriated under Public Law 115-123 to support the State of California's unmet recovery needs related to the Federal Emergency Management Agency (FEMA) Major Disaster Declarations DR-4344 in October 2017 and DR-4353 in December 2017. The California Department of Housing and Community Development (HCD) is the lead and responsible agency for administering the CDBG-DR funds allocated to the State of California.

DR-4344 and DR-4353 were sparked by persistently dry environmental conditions due to record high temperatures and exacerbated by strong winds blowing from desert counties to the east. The twelve impacted counties—eight counties in Northern California and four counties in Southern California—cooperated extensively in completing this assessment, even as some were managing new fire events in 2018.

Although the State of California has a long history of extreme weather occurrences, it was unprecedented to experience multiple diverse and record-breaking weather events such as drought, mud and debris flows, and floods within a two-year timeline. The Thomas Fire (DR-4353) was the largest fire to occur in California's history at the time. It is now the second largest, surpassed by the Mendocino Fire Complex which started on July 27, 2018, and was finally contained on September 20, 2018.

1. October Wildfires (DR-4344)

The October fires spanned from the north coast of the San Francisco Bay area, to the northern Central Valley and Orange County. Fires included The Central Lake-Napa Unit (LNU) Complex (including the Pocket, Tubbs, Nuns, and Atlas fires) in Sonoma and Napa Counties, the Mendocino Lake Complex (including the Redwood Valley and Sulphur fires), and Wind Complex (Cascade and Laporte, Lobo, and McCourtney fires) in the Tri-County region including Butte, Nevada and Yuba Counties, as well as the Canyon fire in Orange County.

The October wildfires burned over 200,000 acres combined and destroyed 8,922 structures, with the Central LNU Complex fire responsible for much of the damage. The areas affected sustained approximately \$8.6 billion in property damages and losses, as reported through insurance claims. During and after the disaster, cities and counties responded with services and shelters for those displaced to help begin the process of recovery. However, one year later a survey of households with insurance claims showed 53 percent had not completed the dwelling portion of their claim and 62 percent still planned to rebuild.

2. December Wildfires, Mudflows, and Debris Flows (DR-4353)

The December fires, mudflows, and debris flows impacted counties across Southern California. Fires include the Thomas Fire, impacting Ventura and Santa Barbara Counties, the Rye Fire and Creek Fire in Los Angeles County, and Lilac fire in San Diego. Following the fires, debris and mudflows severely impacted the footprint of the Thomas Fire, devastating the Montecito area in Santa Barbara County.

A total of 308,383 acres were burned, with the Thomas Fire alone becoming the largest single fire in California history at 281,893 acres burned until the Mendocino Fire Complex in 2018. The devastation created by the fires was exacerbated by heavy rains that followed, resulting in massive mud and debris flows. Electricity, gas, cellular telephone, internet, drainage, sewer and water service were all compromised, homes were destroyed, lives were lost, and communities were displaced.

3. Ongoing Threat

The State of California is experiencing a heightened risk of fire danger due to drought, tree mortality, and an increase of severe weather events. Starting in 2013, Governor Edmund G. Brown Jr. declared a State of Emergency to take precautions against severe drought conditions across the state.¹ Drought severely impacted the health of California's forests. In December 2017, the U.S. Forest Service and the California Department of Forestry and Fire Protection (CAL FIRE) announced that a total of 129,000,000 trees died due to drought and bark beetles across 8,900,000 acres of the state. The ongoing drought conditions inhibited tree recovery, making forests vulnerable to bark beetles and increasing the wildfire risk for California communities. Although Governor Brown lifted the Drought State of Emergency in April 2017 following the substantial winter storms in 2017, the number of dead trees remains an ongoing threat.

In April of 2018, UCLA released a study on California's climate future, which included a prediction of increased "climate whiplash," defined as the non-incremental transition between very dry and very wet weather. This condition was a contributing factor to the Thomas Fire mudflow, where intense rain followed a period of prolonged drought. Southern California is particularly vulnerable to this condition, due to the hot, dry Santa Ana winds, which occur in the fall and are historically mitigated by rainfall. Prolonged drought made the region susceptible to fire and the fanning effect of the Santa Ana winds, creating conditions for the flooding and mudslides that occurred after the fire, killing 20 people. Ground soils were unable to effectively absorb water runoff due to drought conditions, and wildfires removed vegetation that would normally slow down and help absorb rainfall.²

¹ "Governor Brown Declares Drought State of Emergency," <https://www.gov.ca.gov/2014/01/17/news18368/>, 1/17/14.

² UCLA, "Study Forecasts a Severe Climate Future for California," <http://newsroom.ucla.edu/releases/california-extreme-climate-future-ucla-study>.

Fourth Climate Change Assessment projected that climate change will make forests more susceptible to extreme wildfires, especially if greenhouse gas emissions continue to rise.³ Anthropogenic or human factors, such as ignitions, infrastructure, and development at the wildland-urban interface also contribute to the presence and characteristics of wildfires; approximately 85 percent of all fire ignitions in California are the result of human activity, with the rest due to lightning.

The state must prepare for a changing climate and increased threat of frequent and extreme weather events, as another record-breaking fire complex burned less than a year after DR-4344 and DR-4353. Verisk Analytics gauged the risk to residential properties in California and found “more than 2,000,000 homes—about 15 percent of all housing units in the state—have a high to extreme risk of wildfire damage. In seven counties, mostly in Northern California, more than two-thirds of all homes were in jeopardy.”⁴

4. Anticipated Unmet Recovery Needs

The Needs Assessment section below details quantified losses resulting from the disasters, resources available to address the identified losses (as of the publication of this document), and the remaining unmet recovery needs. As shown in Figure 84, the recovery needs far exceed the available resources.

Recognizing the requirement included in the Federal Register Notice to address housing needs first, HCD has determined that repairing and rebuilding owner-occupied and rental housing is the priority for CDBG-DR funding currently available to California.⁵ Furthermore, the geographic breadth of the disasters and the diversity of the impacted communities creates unique circumstances relative to the ability to address localized needs and practical challenges related to the delivery of assistance to residents.

HCD is committed to pursuing additional resources, including additional CDBG-DR funding, and leveraging other resources to support the statewide recovery effort. In addition, HCD is continuing to coordinate closely with local, state, and federal partners with respect to ongoing data collection efforts, identifying resources, and understanding how unmet needs evolve over time.

The following figure provides a summary of disaster impacts from DR-4344 and DR-4353 using HUD’s unmet recovery needs methodology as outlined in the August 14, 2018 Federal Register Notice.⁶ Using this conservative estimate, the total unmet recovery needs are over \$922 million.

³ Governor’s Office of Planning and Research, the State of California Energy Commission and the California Natural Resources Agency, “California’s Fourth Climate Change Assessment,” <http://www.climateassessment.ca.gov/>.

⁴ Finch II, Michael, Sacramento Bee, “These California counties have the highest concentration of homes vulnerable to wildfire.” August 6, 2018, <https://www.sacbee.com/news/state/california/fires/article216076320.html>.

⁵ Federal Register Notice 83 FR 5846 Department of Housing and Urban Development, February 9: <https://www.gpo.gov/fdsys/pkg/FR-2018-02-09/pdf/2018-02693.pdf> (pg.1), Federal Register Notice 83 FR 40314 Department of Housing and Urban Development, August 14: <https://www.gpo.gov/fdsys/pkg/FR-2018-08-14/pdf/2018-17365.pdf> (pg.1).

⁶ Ibid (pg 9).

FIGURE 1: DR-4344 AND DR-4353 UNMET NEEDS SUMMARY

Category	Total Impact	Proposed CDBG-DR Funding	Other Resources Available	Unmet Need
				<i>(total impact less applied or anticipated resources)</i>
Housing	\$209,630,395	\$114,415,447	\$23,723,406	\$71,491,542
Infrastructure	\$592,197,307	\$3,531,803	\$557,523,980	\$31,141,524
	\$1,118,748,393	\$0	\$648,572,968	\$470,175,425
Economic	\$123,619,322	\$0	\$33,084,100	\$90,535,222
Agriculture	\$259,438,082	\$0	N/A	\$259,438,082
Total	\$2,303,633,499	\$117,947,250	\$1,262,904,454	\$922,781,795

Given the data challenges presented in the housing unmet needs section below, including the limited FEMA IA and SBA home loan registrations, HCD has proposed an alternative methodology for a more holistic portrait of unmet recovery needs. The Housing category includes the Alternative Methodology of using the “boots on the ground” damage assessment conducted by CAL FIRE across the disaster impacted communities, which HCD believes this shows a more accurate portrait of total housing impacts from the disasters. Using the alternative methodology, the State of California faces over \$2.5 billion in unmet recovery needs related to DR-4344 and DR-4353.

5. Conclusion

To fulfill the requirements of the allocation of CDBG-DR funding appropriated through Public Law 115-123, the State of California is required to submit an Action Plan for Disaster Recovery to the HUD. The Action Plan must identify disaster impacts and unmet recovery needs, provide an overview of the rules and regulations associated with CDBG-DR funding, outline the proposed uses of the funds and how funds will be distributed to impacted residents and communities, and afford citizens with an opportunity to comment of the state’s recovery plan. The following Action Plan outlines HCD’s proposed activities to support recovery efforts across the State of California for DR-4344 and DR-4353.

II. Needs Assessment

The State of California completed the following needs assessment to identify the long-term needs and priorities for CDBG-DR funding allocated as a result of the October and December fires, mudflows, and debris flows. This needs assessment evaluates the effects of the October 2017 and December 2017 fires, mudflows, and debris flows. The two Presidentially Declared Disasters covered by this needs assessment include the FEMA declarations DR-4344 and DR-4353.

This assessment incorporates a comprehensive set of data sources that cover multiple geographies and sectors and was completed according to guidelines set forth by HUD in the February 9, 2018 and subsequent August 14, 2018 notice. The assessment is based on data

provided by state and federal agencies, impacted jurisdictions, local nonprofits, the Census Bureau, Small Business Administration (SBA), FEMA, and other sources.

The needs assessment includes specific details about unmet needs within the eligible and Most Impacted and Distressed communities. This includes details for housing, infrastructure, and economic revitalization. This assessment takes into consideration pre-disaster needs in addition to unmet recovery needs resulting from the wildfires. It discusses additional types of assistance that may be available to affected communities and individuals, such as insurance, other federal assistance or other possible funding sources. The needs assessment also examines measures that will increase resilience and mitigate or protect against future disasters.

HCD understands that additional information may become available, and anticipates that if additional funds are allocated, there may be a different methodology for the distribution of funds. Adjustments to the Action Plan may be needed as a result of additional data or modified distribution methods; HCD will amend this assessment and the Action Plan as needed in the future.

1. Background

The State of California completed the following unmet needs assessment to identify the long-term needs and priorities for CDBG-DR funding allocated as a result of the wildfire events in 2017. The needs assessment evaluates the effects of two major wildfire events in 2017, DR-4344 in October and DR-4353 in December, as well as for the subsequent damage from mudslides and debris flows that resulted from the December wildfires. Twelve jurisdictions, which include seven areas designated as most impacted and distressed, are included in the FEMA Disaster Declarations as outlined in the following table.

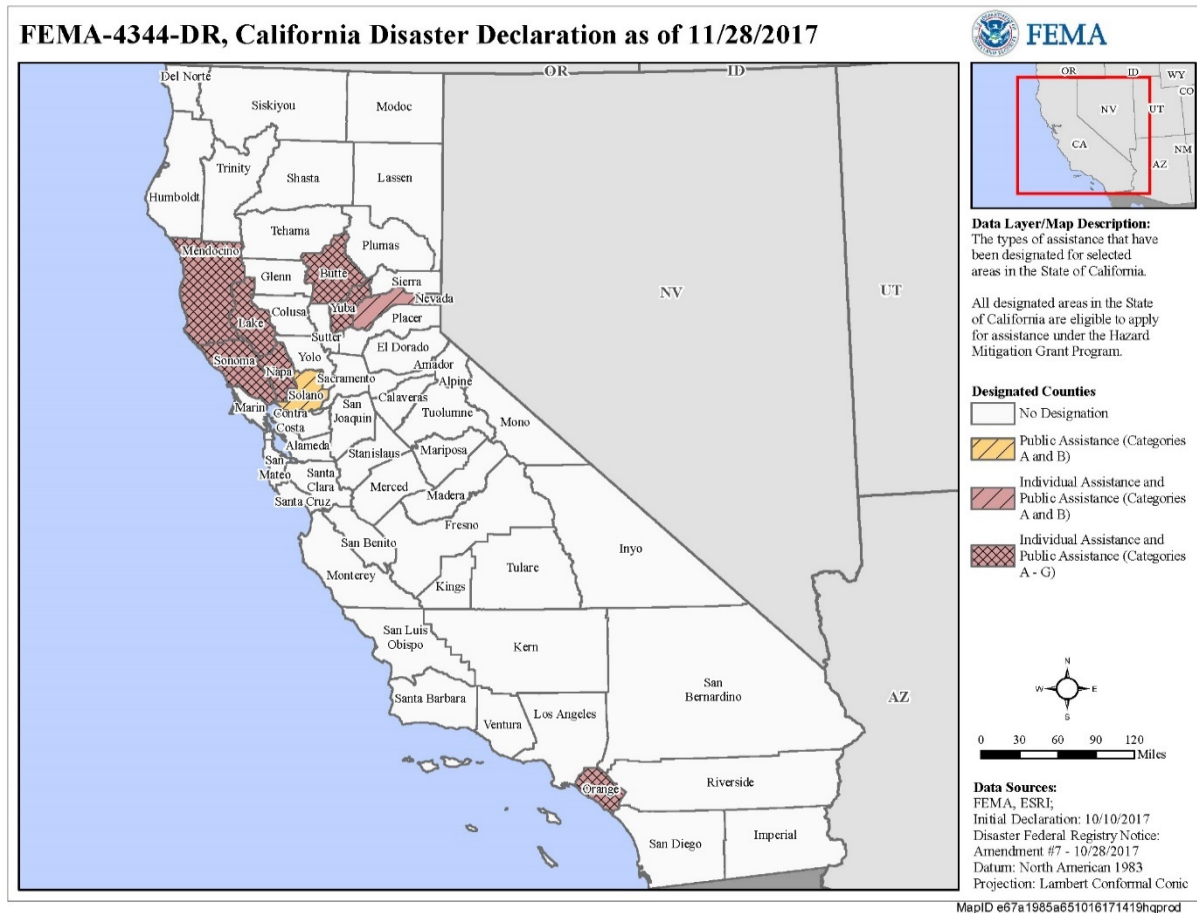
FIGURE 2: FEDERALLY DECLARED DISASTER AREAS

Federally Declared Disaster Areas		Most Impacted and Distressed Areas	
DR-4344	DR-4353	County	Zip Code
Butte County	Los Angeles County	Sonoma County	95470
Lake County	San Diego County	Ventura County	95901
Mendocino County	Santa Barbara County		94558
Napa County	Ventura County		95422
Nevada County			93108
Orange County			
Sonoma County			
Yuba County			

Source: FEMA

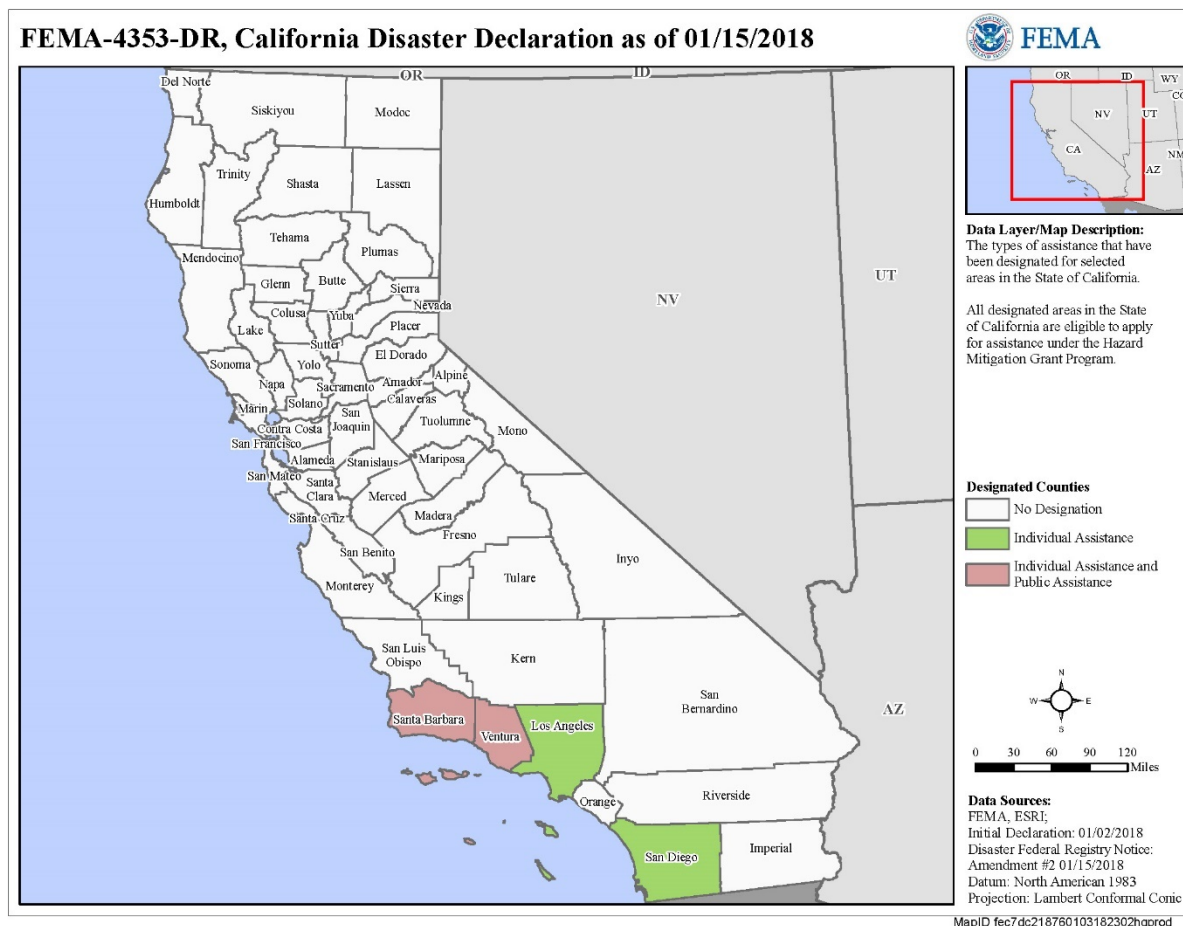
The following FEMA maps illustrate each federally declared disaster area and the type of FEMA funding approved for each impacted county.

FIGURE 3: FEMA DR-4344 DISASTER DECLARATION



Source: FEMA, <https://www.fema.gov/disaster/4344>

FIGURE 4: FEMA DR-4353 DISASTER DECLARATION



Source: FEMA, <https://www.fema.gov/disaster/4353>

2. Summary of Disaster Impacts

The wildfire events of 2017 had a dramatic impact on the state of California. The wildfires and subsequent disasters took place across northern and southern California over a span of approximately three months. The following provides an overview of the disasters and impacts on the people, property, and infrastructure by FEMA disaster declaration.

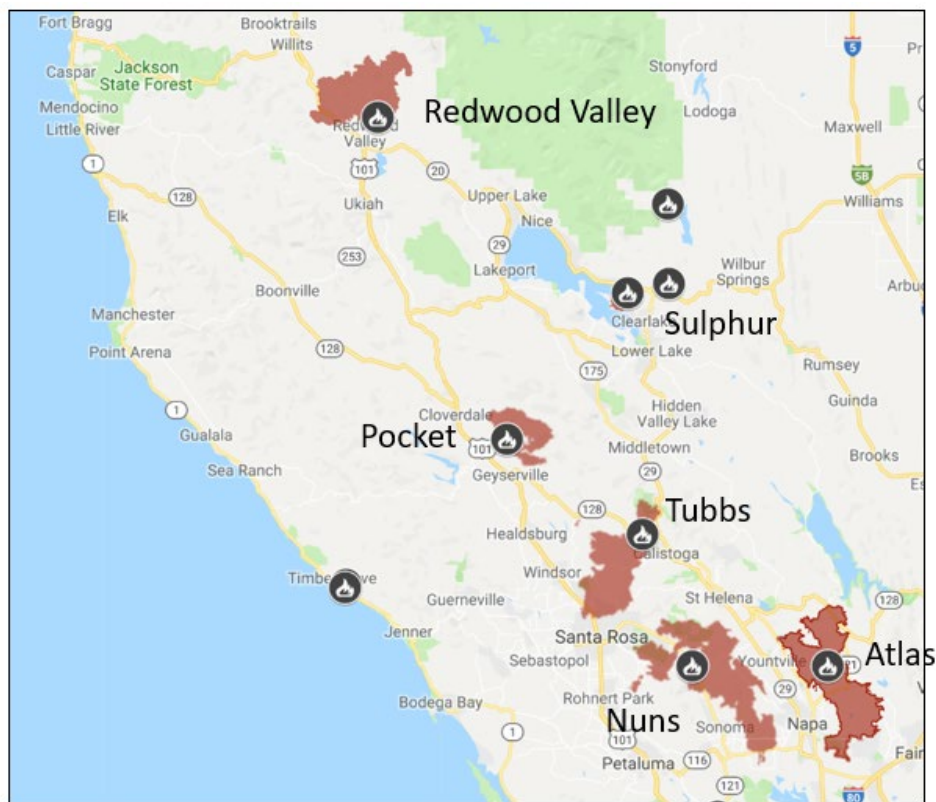
a. October Wildfires (DR-4344)

The DR-4344 wildfires occurred between the 8th and 31st of October 2017⁷. The primary fires during this disaster event were the Atlas, Canyon II, Cascade, Cherokee, La Porte, Lobo, Patrick, Redwood Complex, Sulphur, and the Tubbs. The counties impacted were Butte, Lake, Mendocino, Napa, Nevada, Orange, Sonoma, and Yuba. The fires burned vehicles, destroyed homes, businesses, and entire neighborhoods; and left behind ash and hazardous materials that posed an immediate threat to public health and safety. The fires burned over 200,000 acres and destroyed an estimated 7,050 parcels and 8,922 structures. The Central LNU Complex fire was responsible for the highest number of destroyed structures (7,010) within Napa and Sonoma Counties; 41 lives were lost, and 44 injuries sustained as a result of the disaster.

The following maps illustrate the locations of fires included in the DR-4344 declaration.

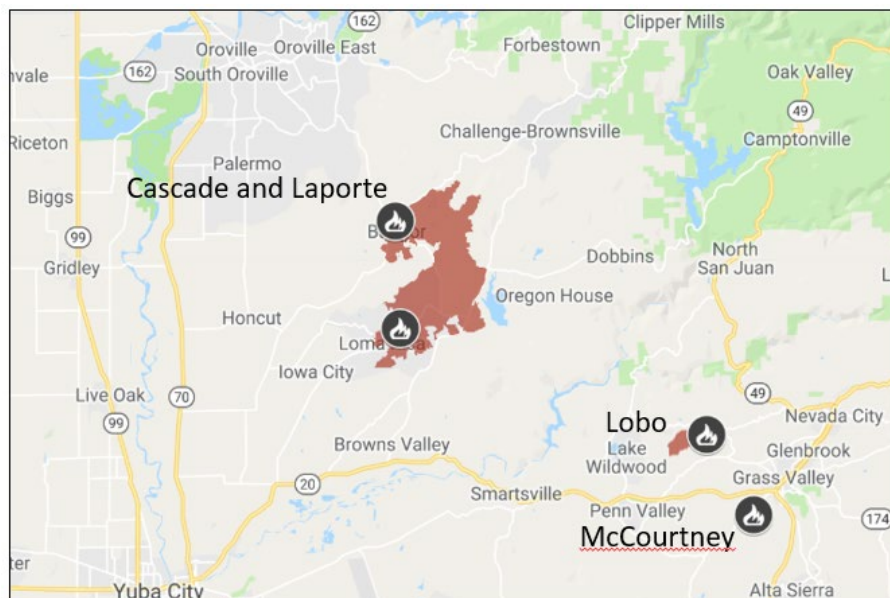
⁷ Governor's Office of Emergency Services and FEMA Region IX, *California Wildfires, Floods, & Mudflow Incident Strategic Plan*, March 2018.

FIGURE 5: LNU COMPLEX FIRES, OCTOBER 2017 – DR-4344



Source: CAL FIRE, <http://www.fire.ca.gov/general/firemaps>

FIGURE 6: WIND COMPLEX FIRES, OCTOBER 2017 – DR-4344



Source: CAL FIRE, <http://www.fire.ca.gov/general/firemaps>

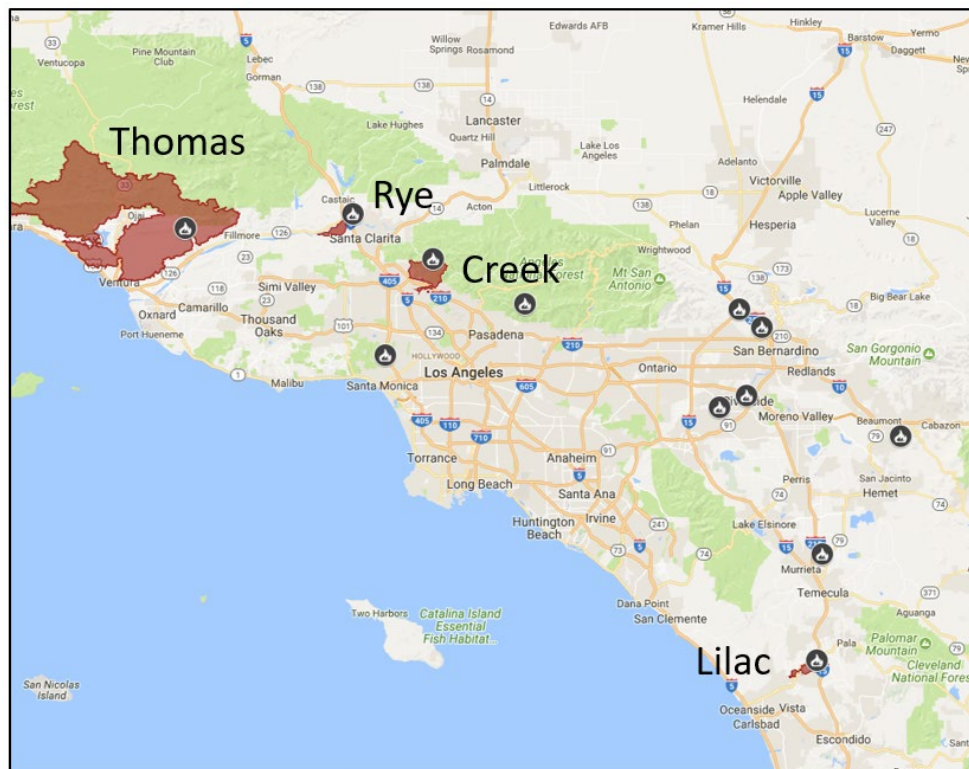
b. California Wildfires, Flooding, Mudflows, And Debris Flows (DR-4353)

DR-4353 occurred in December 2017. The primary fires during this disaster event were the Thomas, Creek, Rye, Little Mountain, Skirball, Lilac, and Liberty. The counties impacted were Los Angeles, San Diego, Ventura, and Santa Barbara Counties. A total of 308,383 acres were burned. The Thomas Fire impacted Ventura and Santa Barbara Counties and became the largest single fire in California history at 281,893 acres burned. The disaster destroyed over 1,000 residences and was initially granted an Emergency Declaration FEMA-3396-EM-CA. This was upgraded to a Major Declaration FEMA-4353-DR-CA with amendments to include Individual Assistance for Santa Barbara, Ventura, San Diego, and Los Angeles Counties along with Public Assistance on January 2, 2018. The fires impacted electricity, gas, cellular telephone, internet, drainage, sewer and water service. In many cases, electrical lines were powered down, and gas service was shut off to neighborhoods at the request of fire officials, while in others, service was disrupted by the fire.

Wildfires have profound effects on the hydrologic response of watersheds by changing the infiltration characteristics and erodibility of the soil. By consuming the vegetative cover and reducing soil infiltration, wildfires significantly increase the risk of damaging runoff, erosion, sedimentation, landslides, debris flows, and rockfalls generated from burned hillslopes. In early January 2018, heavy rains over the burn scar areas of Southern California led to massive debris flows in Santa Barbara County, resulting in 75 destroyed residences, multiple missing individuals, 20 fatalities, and numerous road closures including a two-week closure of Highway 101 in Santa Barbara County.

The following map illustrates the location of fires and debris and mudflows included in FEMA DR-4353.

FIGURE 7: DR-4353 WILDFIRES, DEBRIS FLOWS, AND MUDFLOWS



Source: CAL FIRE, <http://www.fire.ca.gov/general/firemaps>

c. HUD Designated Most Impacted and Distressed Areas

HUD requires that 80 percent of CDBG-DR funding be spent within areas designated as Most Impacted and Distressed. HUD determines the Most Impacted and Distressed areas using the following factors:⁸

- Areas where FEMA has allocated FEMA Individual Assistance/Individual Household Program
- Areas with concentrated damage defined as:
 - Counties exceeding \$10 million in serious unmet housing needs—and most impacted zip codes
 - Zip codes with \$2 million or more of serious unmet housing needs
 - Disaster meeting the Most Impacted threshold
 - One or more county that meets the definition of most impacted and distressed
 - An aggregate of Most Impacted zip codes of \$10 million or more

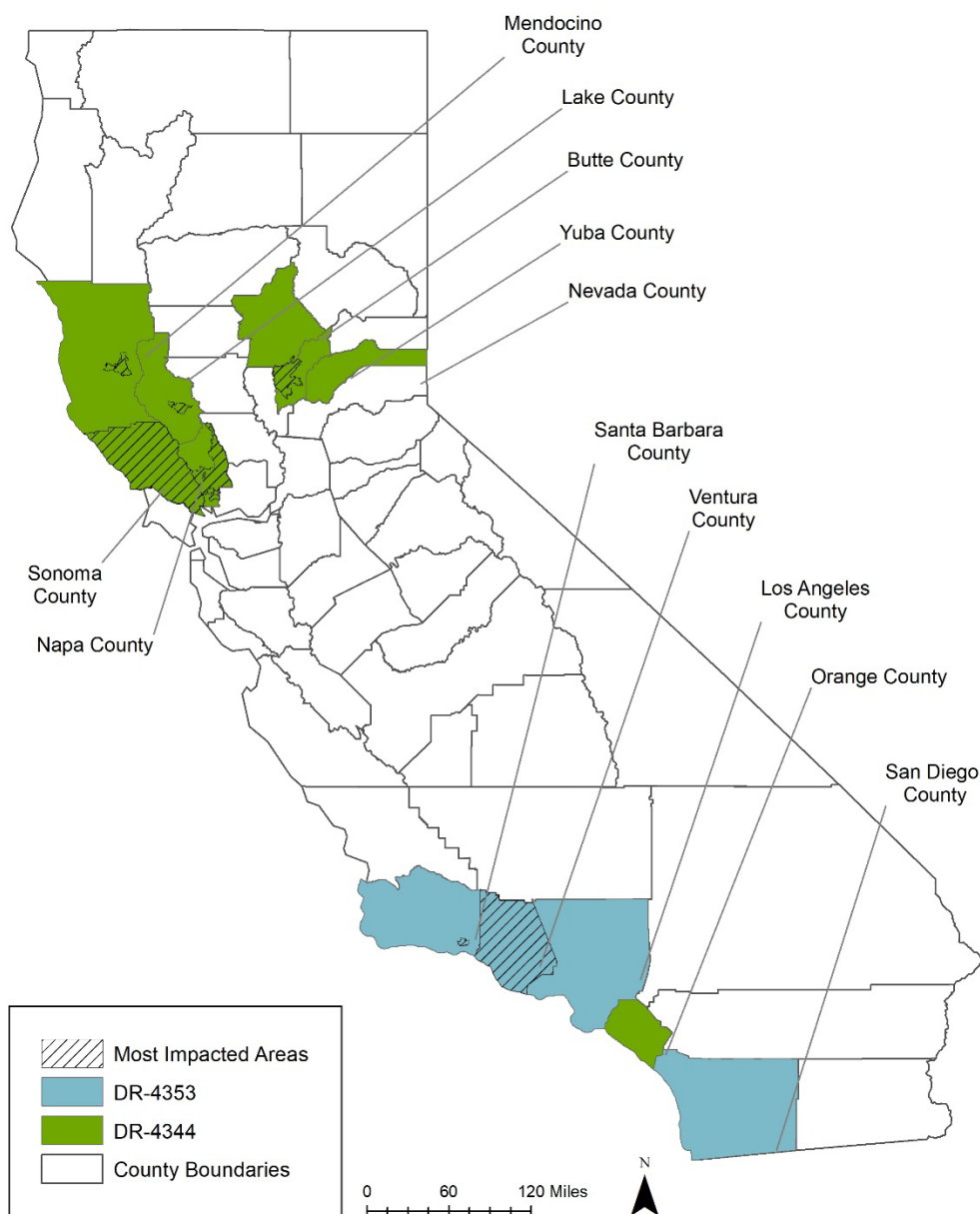
⁸ Federal Register Notice 83 FR 40314 Department of Housing and Urban Development, August 14, 2018
<https://www.gpo.gov/fdsys/pkg/FR-2018-08-14/pdf/2018-17365.pdf>

HUD designated Sonoma and Ventura counties, as well as five zip codes (93108, 94558, 95422, 95470, and 95901) as the Most Impacted and Distressed areas from the DR-4344 and DR-4353 disasters. The following provides further details about the location of the Most Impacted and Distressed zip codes:

- 95470 – Mendocino County
- 95901 – Predominantly Yuba County
- 94558 – Predominantly Napa County
- 95422 – Predominantly the City of Clearlake in Lake County
- 93108 - City of Montecito, located in Santa Barbara County

The following is a map of the most impacted counties and zip codes.

FIGURE 8: MOST IMPACTED COUNTIES & ZIP CODES



Source: Department of Housing and Urban Development, U.S. Census TIGER Files 2018

3. Resilience Solutions and Mitigation Needs

California has a long history of addressing the hazards of earthquakes, floods, wildfires and droughts in its planning, zoning, building standards, and infrastructure investments. These measures are continuously updated as understanding of hazard risk improves.

It is imperative to mitigate the effects of climate change on a local, regional, and state level. A commitment to address these effects comes with a necessary and increased cost for housing and community infrastructure investments. Resilience considerations in housing and infrastructure recovery are detailed below.

a. Housing Resilience

Housing resilience measures are enshrined in state legislation, including requirements for local building codes, such as the Wildland-Urban Interface building codes (WUI codes), which has addressed wildfire risk since 2005. California continues to be a national leader in implementing statewide policy to both prepare for climate change and reduce greenhouse gas emissions and has dedicated substantial resources to mitigating the impacts of climate change.

All housing rebuilt under programs provided in this Action Plan must comply with applicable WUI codes, which offer specific material, design and construction standards to maximize ignition-resistance⁹. The 2019 Building Energy Efficiency Standards for residential properties, which mandates solar power systems in all newly constructed residential housing¹⁰ is yet another standard enforced by California to address human development and climate change.

Most of the homes destroyed in the fires were built more than ten years ago and only insured for a replacement value, which means replacement of the homes as it was built at the time of purchase. However, in the past decade California has adopted new building codes to increase the resilience of homes. Specific resilience measures were adopted in 2015 and 2016 in SB 379 and SB 246, requiring integration of climate adaptation and resilience strategies in city and county planning relative to public safety; as well as better coordination among state, local, and regional climate adaptation efforts. Increased home resilience leads to a reduction in loss due to wildfire, flood, earthquake, mudslide, or other natural disaster and safeguards the federal investment of CDBG-DR funds in the housing recovery process.

The median cost of replacing a single-family home is \$300,000, before accounting for resilience measures. Single family home resilience solutions are expected to add approximately \$30,000 to the total cost per home, according to the California Building Industry Association¹¹. These costs may be even greater in areas with significant wildfire vulnerabilities such as those impacted by

⁹ CAL FIRE, "Wildland Hazard & Building Codes,"

http://www.fire.ca.gov/fire_prevention/fire_prevention_wildland_codes.

¹⁰ California Energy Commission, "2019 Building Energy Efficiency Standards,"

<https://www.energy.ca.gov/title24/2019standards/>.

¹¹ California Building Industry Association, "California New Home Construction: Cost Impact of Recently Adopted and Proposed Building Standards." Interview with California Building Industry Association, August 2018.

the 2017 wildfire events. These costs are unlikely to be covered by insurance. A standard ten percent resilience multiplier will be applied to single family homes to calculate unmet need.

b. Infrastructure Resilience

All recovery programs considered under this Action Plan will align with Executive Order B-30-15 and the state's Integrated Climate Adaptation and Resiliency Program, which direct state agencies to account for current and future climate conditions, including an increased likelihood of natural disasters, in all infrastructure investment. Infrastructure resilience standards and requirements include:

- Guidelines for infrastructure investments outlined in the *Planning and Investing for a Resilient California Guidebook*, developed under Executive Order B-30-15, which provides guidance for making climate informed infrastructure investments.¹²
- California's Climate Safe Infrastructure Working Group (established in 2016 under Assembly Bill 2800) delivered its report in September 2018, providing guidance on how engineers should address climate change impacts and future climate scenarios in infrastructure design.¹³

HCD ensures that resilient infrastructure is a component of the recovery by reviewing the long-term viability and resilience component of proposed infrastructure recovery projects.

4. Demographic Profile of Impacted Counties

The demographic profile for the State of California, as well as the federally declared disaster areas and Most Impacted and Distressed counties and zip codes, was compiled using 2012-2016 American Community Survey (ACS) Five Year Estimates. This data provides the most recent five-year data, which is available down to the block group level.

The State of California is home to approximately 38.7 million people. Of that, approximately 18.9 million live in the impacted counties and 1.5 million live in the Most Impacted and Distressed areas. Nearly half (48.9 percent) of California's population is located within the DR-4344 and DR-4353 federally declared disaster areas. Furthermore, approximately 3.9 percent of California's population is located within the HUD identified Most Impacted and Distressed areas.

The Most Impacted and Distressed areas tend to be more affluent and less diverse than the impacted counties and the state as a whole.

In 2016, the median household income of the Most Impacted and Distressed areas was \$68,970, approximately \$4,000 lower than the statewide median household income of \$72,952. In comparison, the 2016 median income of the entire federally declared disaster area was \$59,470. Additionally, per capita income within the Most Impacted and Distressed areas was \$36,659, \$5,200 higher than the statewide per capita income and \$6,000 higher than the federally declared

¹² Governor's Office of Planning and Research, "Executive Order B-30-15 Guidance," <http://opr.ca.gov/planning/icarp/resilient-ca.html>.

¹³ California Natural Resources Agency, "Paying It Forward: The Path Toward Climate-Safe Infrastructure In California," <http://resources.ca.gov/climate/climate-safe-infrastructure-working-group/>.

disaster area per capita income. Poverty levels were lowest within the Most Impacted and Distressed areas; 10.9 percent had income in the past 12 months below poverty level, compared to 15.8 percent statewide and 45 percent in the federally declared disaster areas (as shown in Figure 8).

FIGURE 9: INCOME/ECONOMIC DEMOGRAPHICS

Income/Economic Demographics	California		DR-4344 & DR-4353		MID	
	Estimates	Percent	Estimates	Percent	Estimates	Percent
Median Household Income (2016 dollars)	\$72,952	(X)	\$59,465	(X)	\$68,970	(X)
Per capita Income (2016 dollars)	\$31,458	(X)	\$30,567	(X)	\$36,659	(X)
Income in the past 12 months below poverty level	6,004,257	15.8%	8,367,728	45.0%	148,469	10.88%

Source: American Community Survey, 2012-2016 Five Year Estimates

Median value of owner occupied units within the Most Impacted and Distressed areas is \$428,025, which is roughly \$20,000 higher than the median household value of both the state and federally declared disaster areas. Median gross rent is also highest within the Most Impacted and Distressed areas with a value of \$1,345 per month, which is \$48 higher than that of the state and \$95 higher than that of the federally declared disaster areas.

The Most Impacted and Distressed areas have the highest proportion of owner occupied households (67.7 percent) compared to the state (49.8 percent) and the federally declared disaster areas (47.4 percent), while the proportion of renter households is comparable at 43.2 percent, slightly higher than the state (42.3 percent) but lower than the federally declared disaster areas, where renter occupied households comprise 46 percent (see Figure 9).

FIGURE 10: HOUSING DEMOGRAPHICS

Housing Demographics	California		DR-4344 & DR-4353		MID	
	Estimates	Percent	Estimates	Percent	Estimates	Percent
Total Housing Units	13,911,737	100%	6,706,644	100%	562,489	100%
Owner Occupied Average Household Size:	2.99	(X)	2.78	(X)	2.68	(X)
Renter Occupied Average Household Size:	2.91	(X)	2.85	(X)	2.90	(X)
Owner occupied	6,929,007	49.8%	3,181,828	47.4%	380,710	67.7%
Renter occupied	5,878,380	42.3%	3,083,499	46.0%	242,807	43.2%

FIGURE 10: HOUSING DEMOGRAPHICS (CONTINUED)

	California		DR-4344 & DR-4353		MID	
Median Value of owner occupied housing units (2016 dollars)	\$409,300	(X)	\$405,000	(X)	\$428,025	(X)
Median Gross Rent (2016 dollars)	\$1,297	(X)	\$1,250	(X)	\$1,345	(X)
Total households	12,807,387	100%	6,265,327	100%	623,517	100%
Civilian non-institutionalized population without health insurance	4,804,193	12.4%	2,643,796	13.98%	170,705	11.3%
Estimate of non-institutionalized population with a disability	4,028,190	10.4%	1,858,092	9.8%	146,342	9.7%
Language other than English Spoken at Home, Over Age of 5	15,910,680	44.0%	8,546,658	48.2%	471,830	33.3%
2016 Building Permits	50,216	(X)	15,622	(X)	1,357	(X)

Source: American Community Survey, 2012-2016 Five Year Estimates

The Most Impacted and Distressed areas have a significantly higher White population and significantly lower African American and Asian population than the State of California and the federally declared disaster areas, while the proportion of Hispanic or Latino population is relatively consistent.

As seen in Figure 10 below, the White population comprises 78 percent of the Most Impacted and Distressed areas, which is 16 and 17 percentage points higher than that of the state and federally declared disaster areas respectively. By comparison, the African American population comprises just 1.7 percent of the Most Impacted and Distressed areas, which is approximately 4 percent lower than both the state and federal disaster declared areas. In addition, the Asian population within the Most Impacted and Distressed areas is only 5.7 percent, whereas it comprises 13.9 percent and 13.4 percent of the state and federally declared disaster areas respectively. At 35.2 percent, the Hispanic or Latino population comprises a significant proportion of the Most Impacted and Distressed areas, consistent with the proportion of the state (38.6 percent) and declared disaster areas (41.4 percent).

One third (33.3 percent) of the population five years and over within the Most Impacted and Distressed areas spoke a language other than English at home in 2016. This percentage is lower than the 44 percent of the state population five years and over, as well as the 48.2 percent of the federally declared disaster areas population five years and over that spoke a language other than English at home.

FIGURE 11: DEMOGRAPHICS

Demographics	California		DR-4344 & DR-4353		MID	
	Estimates	Percent	Estimates	Percent	Estimates	Percent
Total Population	38,654,206	100%	18,911,724	100%	1,510,517	100%
Under 5 years	2,499,561	6.5%	1,184,758	6.26%	90,323	6.0%
65 years and over	4,976,982	12.9%	2,436,133	12.88%	225,700	14.9%
White alone	23,680,584	61.3%	11,498,534	60.80%	1,178,543	78.0%
Black or African American alone	2,261,835	5.9%	1,089,356	5.76%	26,023	1.7%
American Indian and Alaska Native alone	285,512	0.7%	124,595	0.66%	14,395	1.0%
Asian alone	5,354,608	13.9%	2,541,678	13.44%	85,560	5.7%
Native Hawaiian and Other Pacific Islander alone	150,908	0.4%	56,555	0.30%	3,519	0.2%
Two or More Races	1,787,159	4.6%	783,475	4.14%	69,165	4.6%
Hispanic or Latino	14,903,982	38.6%	7,830,037	41.40%	531,217	35.2%
Population 16 years and over in civilian labor force	19,391,320	63.4%	9,676,110	51.16%	779,422	51.6%

Source: American Community Survey, 2012-2016 Five Year Estimates

Educational attainment for the population 25 years and over is highest within the Most Impacted and Distressed areas compared to the federally declared disaster areas and the state. The percentage of people who did not graduate high school is also smallest within the Most Impacted and Distressed areas (Figure 7). Most of the population in the Most Impacted and Distressed areas have some level of tertiary education, whereas 33.5 percent have some college or associate degree and 32.1 percent have a bachelor's degree or higher. Comparatively, the percentage of population 25 and over with some college or associate degree is under 30 percent,

both within the state and federally declared disaster areas. The percentage of population with a bachelor's degree or higher is 32 percent in the state and highest in the federally declared disaster areas at 33 percent.

FIGURE 12: EDUCATION DEMOGRAPHICS

Education Demographics	California		DR-4344 & DR-4353		MID	
	Estimates	Percent	Estimates	Percent	Estimates	Percent
Population 25 years and over:	25,554,412	100%	12,620,177	100%	1,019,666	100%
Less than high school graduate	4,572,963	17.9%	2,367,246	18.8%	154,931	15.2%
High School graduate (includes equivalency)	5,260,904	20.6%	2,486,971	19.7%	195,926	19.2%
Some college, associate's degree	7,544,058	29.5%	3,597,779	28.5%	341,908	33.5%
Bachelor's degree or higher	8,176,487	32.0%	4,168,181	33.0%	326,901	32.1%

Source: American Community Survey, 2012-2016 Five Year Estimates

5. Impacts on Low- and Moderate-Income Populations

All projects supported by CDBG-DR funds must meet one of the program's three National Objectives:¹⁴

1. Benefiting low-and moderate-income (LMI) persons
2. Aiding in the prevention or elimination of slums or blight
3. Meeting a need having particular need (urgent need)

HUD defines LMI households as households whose gross income does not exceed 80 percent of Area Median Income (AMI), adjusted for family size. Seventy percent of CDBG-DR funds must be spent to benefit LMI households. The following section provides an overview of the number and location of LMI households within the disaster impacted areas.

The vast majority of counties designated within DR-4344 and DR-4353 do not meet the threshold of 50 percent of LMI persons. However, approximately 64 percent of persons in zip code 95422, located in Clearlake are considered LMI. The following table provides additional information on persons designated as LMI in each of the impacted counties and Most Impacted and Distressed areas.

¹⁴ CDBG Guide to National Objectives and Eligible Activities, "Chapter 3: Meeting a National Objective" <https://www.hudexchange.info/onecpd/assets/File/CDBG-National-Objectives-Eligible-Activities-Chapter-3.pdf>

FIGURE 13: LOW- AND MODERATE-INCOME ANALYSIS

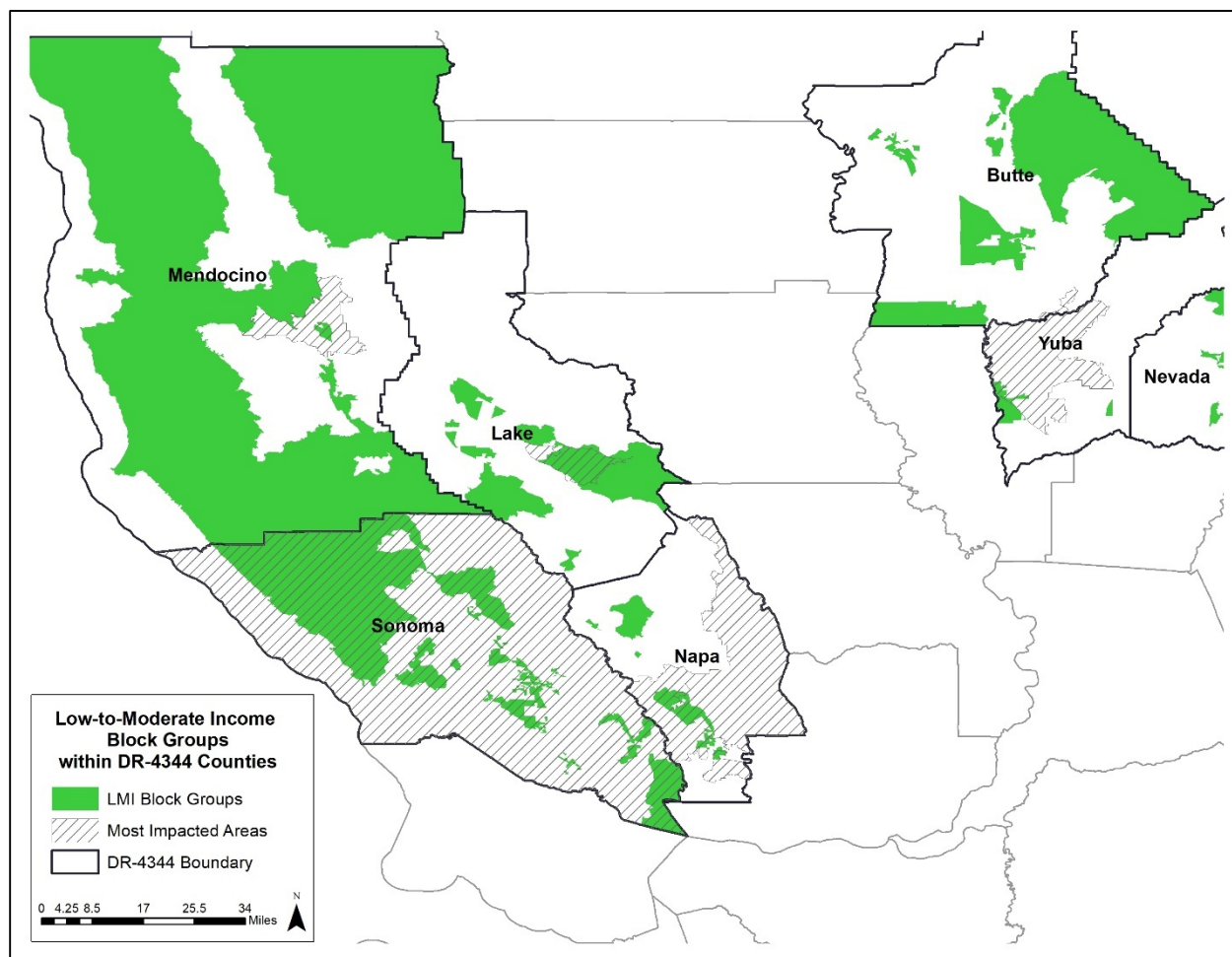
	Total Low and Moderate Income Persons ¹⁵	Total Population	Percentage Low-to-Moderate Income
State of California	16,425,750	35,810,780	45.9%
Federally Declared Disaster Areas			
DR-4344	1,853,113	4,047,470	45.8%
Butte County	91,744	213,515	43.0%
Lake County	29,325	63,590	46.1%
Mendocino County	39,085	85,745	45.6%
Napa County	53,140	128,560	41.3%
Nevada County	34,920	97,385	35.9%
Orange County	1,378,719	2,924,945	47.1%
Sonoma County	194,985	464,245	42.0%
Yuba County	31,195	69,485	44.9%
DR-4353	7,101,260	13,686,460	51.9%
Los Angeles County	5,277,550	9,571,375	55.1%
San Diego County	1,296,585	2,918,225	44.4%
Santa Barbara County	191,410	398,045	48.1%
Ventura County	335,715	798,815	42.0%
DR-4344 and DR-4353 Total	8,954,373	17,733,930	50.5%
Most Impacted and Distressed Areas			
County			
Sonoma County	194,985	464,245	42.0%
Ventura County	335,715	798,815	42.0%
Zip Code			
95470	3,195	8,765	36.5%
95901	21,790	49,395	44.1%
94558	30,225	71,450	42.3%
95422	9,765	15,280	63.9%
93108	4,385	15,650	28.0%
Most Impacted and Distressed Areas Total	600,060	1,423,600	42.2%

Source: American Community Survey 5-Year 2006-2010 Low and Moderate-Income Summary Data

While the table above provides an analysis of LMI population at the county and state level, the maps below provide a more detailed analysis of LMI populations at the census block group level. The green areas on the maps highlight areas that have over 50 percent LMI individuals.

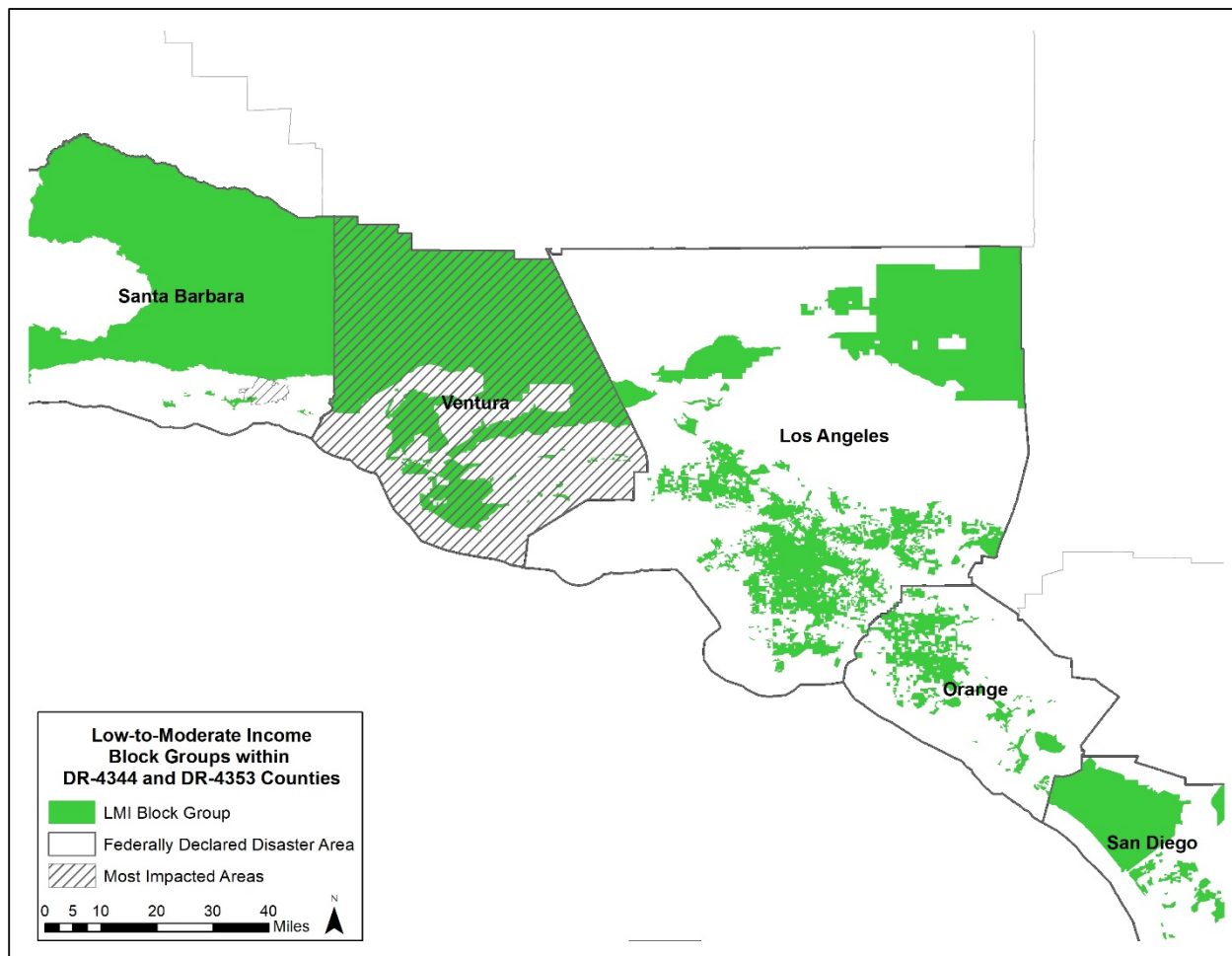
¹⁵ Total Potential Low-to-Moderate Income Persons are persons with the potential for being deemed Low, Moderate and Medium income. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low and Moderate Income Summary Data, <https://www.hudexchange.info/programs/acs-low-mod-summary-data/>.

FIGURE 14: NORTHERN CALIFORNIA LOW- AND MODERATE-INCOME AREAS



Source: American Community Survey 5-Year 2006-2010 Low and Moderate-Income Summary Data, U.S. Census Bureau

FIGURE 15: SOUTHERN CALIFORNIA LOW- AND MODERATE-INCOME AREAS



Source: American Community Survey 5-Year 2006-2010 Low and Moderate-Income Summary Data, U.S. Census Bureau

a. Social Vulnerability Index

The Social Vulnerability Index (SoVI) identifies vulnerabilities in communities and compares social factors, by geography, that may determine a community's uneven ability to prevent suffering and loss after a disaster. SoVI indexes can be used to determine the location and amount of additional need required. SoVI compares socioeconomic status; housing composition and disability; minority status and language; and housing and transportation metrics, all taken from Census ACS five year data. In combination with other data sources, social vulnerability is an important metric in disaster recovery resource allocation because it provides an understanding of where limited resources may have the most impact.

An analysis of SoVI in the twelve impacted counties indicates that in DR-4344 four counties, Yuba, Lake, Mendocino, and Butte, have “high” levels of pre-existing social vulnerability due in large part to the relatively higher proportion of persons below poverty compared to the rest of the impacted counties (20-25 percent compared to 9-12 percent). These four counties also have

higher proportions of institutionalized persons with disabilities and one of the four, Lake County, has an extremely high proportion (24 percent) of mobile home units compared to the DR-4344 average of 9.56 percent mobile home units. One of the eight DR-4344 counties, Napa, has a "medium" SoVI and the remaining three, Orange, Sonoma, and Nevada, have "low" levels.

Of the four DR-4353 counties, Los Angeles and Santa Barbara show "high" SoVI levels influenced heavily by large proportions of minority populations and high numbers of crowded housing with more people than rooms (Figure 16). Los Angeles and, at "medium" social vulnerability, San Diego, have increased SoVI rankings because of relatively high percentages of housing in structures with ten or more units (Figure 16). Ventura has the lowest index score ranking in the DR-4353 area but still scores higher than four out of the eight DR-4344 counties (Figure 15). SoVI is an important tool in the disaster recovery planner's toolbox and will help equip the state's team to engage vulnerable populations in the planning process and to allocate funds where they will help mitigate pre-existing socially vulnerable areas.

FIGURE 16: SOCIAL VULNERABILITY INDEX (SOVI) OF IMPACTED COUNTIES

Social Vulnerability Index (SoVI)			
County	Total Population	Sum of All Series Themes	Overall SoVI® Percentile Ranking
DR-4344			
Yuba	73,897	9.5614	0.8421
Lake	64,076	9.2281	0.7895
Mendocino	87,409	8.7018	0.6842
Butte	223,877	7.9298	0.614
Napa	140,823	6.5088	0.3333
Orange	3,132,211	6.2807	0.2807
Sonoma	497,776	5.7719	0.193
Nevada	98,639	4.0175	0.0351
DR-4353			
Los Angeles	10,057,155	9.0526	0.7368
Santa Barbara	439,395	8.3684	0.6316
San Diego	3,253,356	6.7895	0.4211
Ventura	843,110	6.5614	0.3509

Source: University of South Carolina, SOVI 2010-2014

The following figure provides additional detail of selected SoVI factors. While SoVI considers many factors, poverty, disability status, and minority households are all demographic factors considered in the index. For housing, SoVI considers higher concentrations of multifamily, mobile homes, and overcrowded households as having higher social vulnerability during disasters.

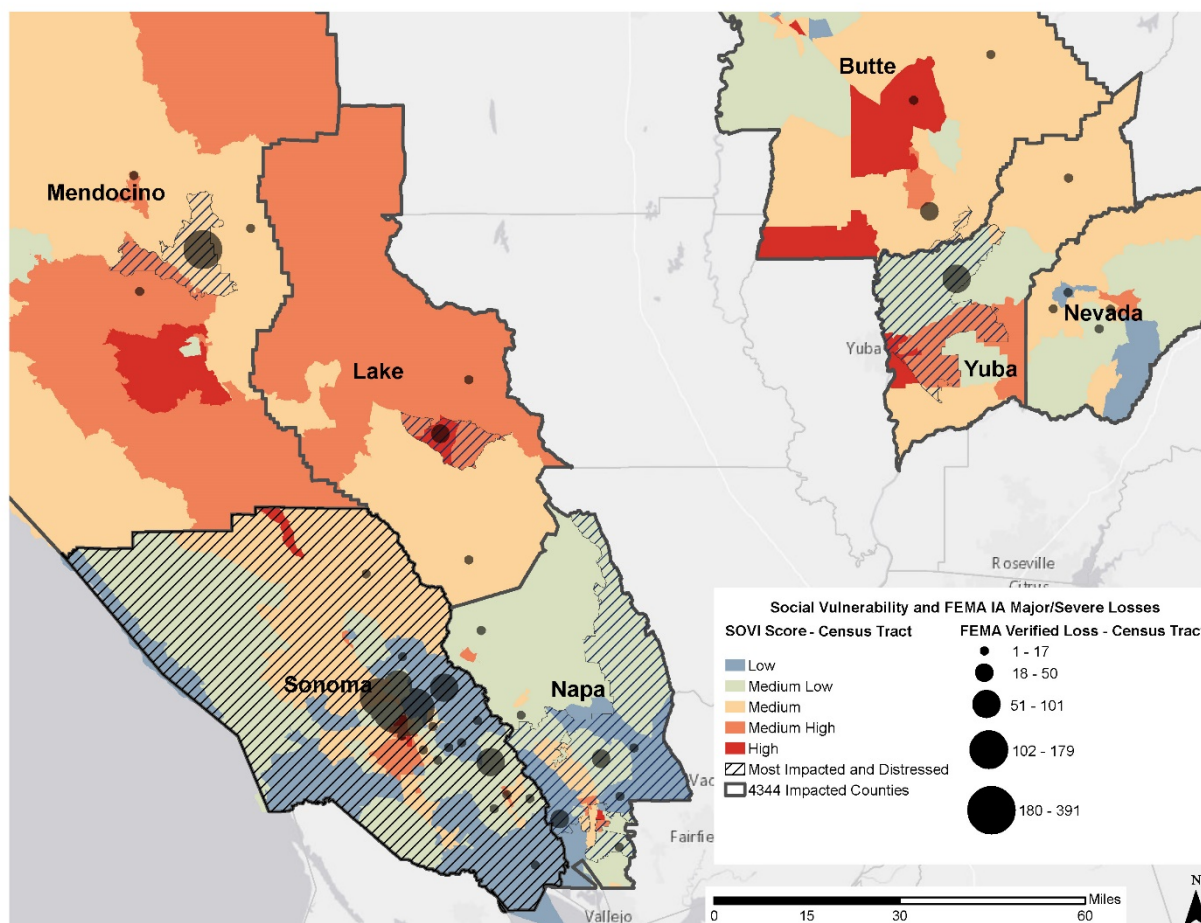
FIGURE 17: KEY FACTORS OF THE OVERALL SOCIAL VULNERABILITY INDEX (SOVI) SCORES

County	Socioeconomic Theme	Household Composition Theme	Minority Status/ Language Theme	Housing/ Transportation Theme		
	% persons below poverty estimate	% civilian noninstitutionalized population with a disability estimate	% minority estimate	% of housing in structures with 10 or more units estimate	% of mobile homes estimate	% of occupied housing units with more people than rooms estimate
DR-4344						
Yuba	20.8	16.9	43	5.6	9.5	7.5
Lake	24.6	21.5	27.7	2	23.4	3
Mendocino	20.2	16.9	33.6	4.1	11	5.1
Butte	21.3	17.2	26.6	7.9	12.7	2.9
Napa	8.8	11.1	46.3	8.3	6.8	5.6
Orange	12.5	8.5	58	18.7	2.7	8.9
Sonoma	11.2	11.9	35.6	8.9	4.9	5.1
Nevada	12.1	14.8	14.4	3.8	5.5	1.9
Average	16.4375	14.85	35.65	7.4125	9.5625	5
DR-4353						
Los Angeles	17.8	9.9	73.3	26.5	1.5	11.8
Santa Barbara	15.9	9.7	54.1	12.8	5.1	10.2
San Diego	14	9.9	53.3	20.7	3.6	6.4
Ventura	10.6	10.5	53.4	10.6	3.8	7
Average	14.575	10	58.525	17.65	3.5	8.85

Source: University of South Carolina, SOVI 2010-2014

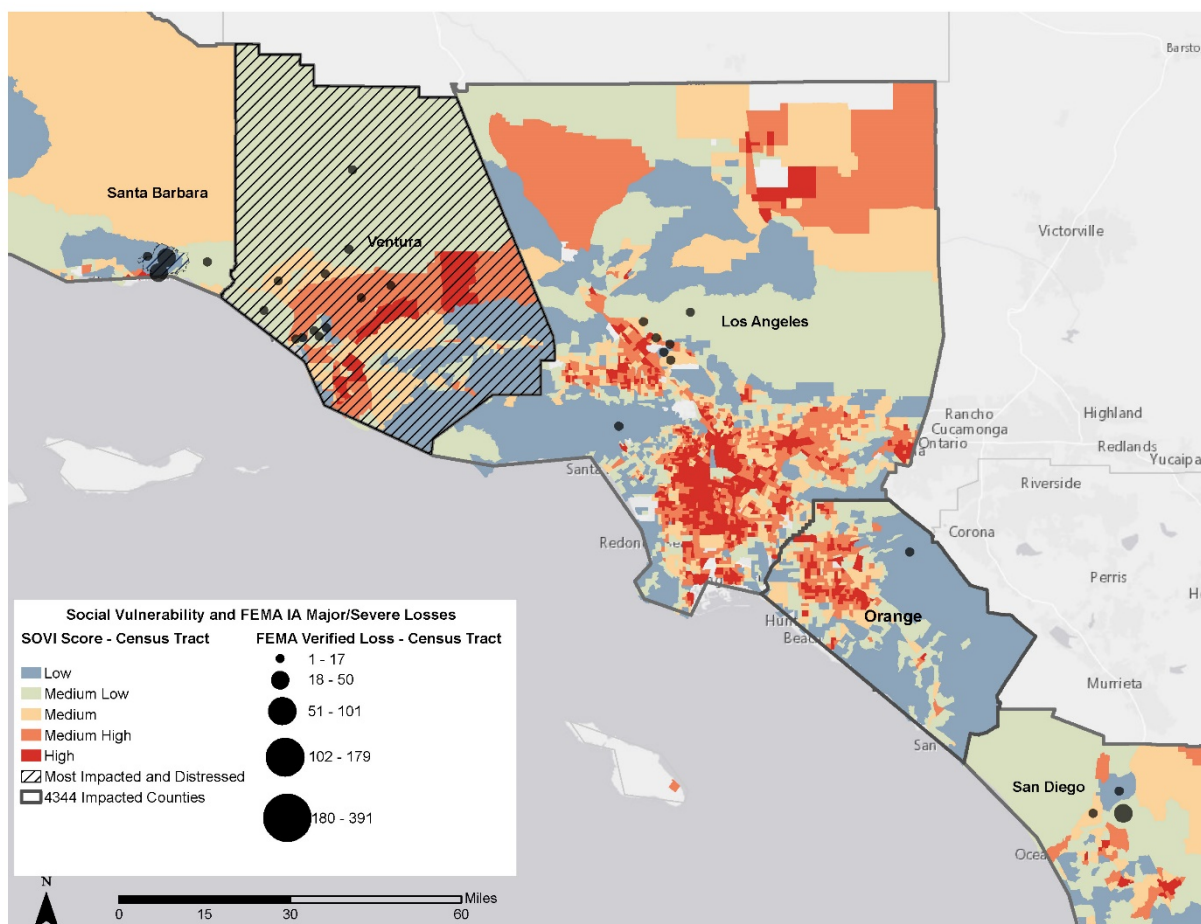
The following figures overlay FEMA Individual Assistance (IA) applicants with Major and Severe Verified Losses for both owner occupied and renter occupied households with the SoVI data at the Census Tract level. The FEMA IA applicants are summarized at the census tract level and represented by black dots, while the lower SoVI areas are in blue and higher SoVI areas are indicated by darker shades of red.

FIGURE 18: MAP OF SOVI BY CENSUS TRACT – NORTHERN CALIFORNIA



Source: University of South Carolina, SOVI 2010-2014

FIGURE 19: MAP OF SOVI BY CENSUS TRACT – SOUTHERN CALIFORNIA



Source: University of South Carolina, SOVI 2010-2014

6. Housing Impact

California was already experiencing an affordable housing crisis when D-4344 and D-4353 struck in the Fall and Winter of 2017, with vacancy rates extremely low, and rent and home prices disproportionate to average income. The October and December 2017 disasters exacerbated this crisis. Napa County, for example, saw vacancy rates fall from an already extremely low two percent in August 2017 to one percent in August 2018¹⁶. After the disaster, limited available rental units generally went to fire displaced higher-income households, leaving low income households even less likely to find housing than before the disaster. The location of the disasters presents unique challenges for addressing housing impacts.

¹⁶ Napa Valley Register, "Napa's rental vacancies bottom out at 1 percent" August 2018 https://napavalleyregister.com/news/local/napa-s-rental-vacancies-bottom-out-at-percent/article_bbf6a75a-8473-5748-8464-7526926927ac.html.

The disasters impacted households of all incomes and landscapes including dense urban neighborhoods and rural communities. While there are regional differences in the housing markets, all the impacted areas struggle to provide an adequate supply of affordable homes to area residents. Lake County, for example, noted the cumulative effect of the many wildfires since 2015 has been a gradual decrease in the number of available dwellings.

Vacancy rates for rental properties are low across the State of California. While vacancy and availability of rental properties looks different in urban and rural areas, every disaster impacted community's rental stock has been impacted by displaced homeowners and renters. As an example, before the fires in 2017, both Sonoma and Ventura counties had very low vacancy rental rates: 1.8 percent in Sonoma¹⁷, and 3.3 percent in Ventura¹⁸. Many communities have seen the fire impact on rental housing reflected in their Housing Choice Voucher programs, where voucher waitlists increased and voucher utilization rates decreased, pointing to a need for housing and lack of available housing stock. Sonoma County, for instance, had a voucher success rate of only 42 percent after DR-4344.¹⁹ Mendocino County reported an already low voucher success rate of 60 percent dropping to a range of 30-40 after the disaster²⁰.

As housing inventory decreases, housing prices typically increase. From September to October 2017, median rents increased by 32 percent across Sonoma County and 23 percent in Napa County²¹. Unaffected neighboring counties showed little change in median rent. After the fires, the cost to buy a home in Sonoma or Ventura counties increased, making homeownership further out of reach for many potential homebuyers. The first quarter 2018 median home price in Sonoma County was \$685,000 an increase from \$670,000 the previous quarter. Ventura County's post fire experience is similar: the cost of homeownership increased from a median price of \$645,000 in December 2017 to \$665,000 in April 2018²² making homeownership out of reach to all but a quarter of Ventura County residents²³.

The demand for affordable single family and multifamily housing outstrips supply in every county in California. HCD estimates that in the last 10 years, California has built an average of 80,000 homes a year, far below the 180,000 homes needed each year to keep up with growth.²⁴ The affordable housing crisis is demonstrated in a mis-match between income and housing costs, by overcrowded housing, and by the large number of homeless individuals and families.

¹⁷ Sonoma County Economic Development Board, [Sonoma County Profile 2017](#).

¹⁸ NAICapital, "[Ventura County Multifamily Market Outlook 3Q 2017](#)"

¹⁹ Interview with Sonoma County Community Development Commission, June 2018.

²⁰ Interview with the Community Development Commission of Mendocino County, June 2018.

²¹ Los Angeles Times, "After the flames, allegations of rent gouging fly in devastated wine country communities," January 2018, <http://www.latimes.com/local/lanow/la-me-ln-wine-country-rent-gouging-20180101-story.html>.

²² Both Sonoma and Ventura data from California Association of Realtors, "[Median Prices of Existing Detached Homes Historical Data](#)" August 2018

²³ Ibid. NAICapital

²⁴ California Housing and Community Development Department, "California's Housing Future: Challenges and Opportunities," February 2018 www.hcd.ca.gov/policy-research/plans-reports/docs/SHA_Final_Combined.pdf

a. Cost Burdened Households

HCD is specifically concerned about housing affordability and the high proportion of households statewide, and in the affected areas, considered to be cost burdened. Housing is considered “affordable” if the household rent (including utilities) is no more than 30 percent of its pre-tax income. Households spending more than 30 percent are “cost burdened” or “rent-stressed.” Those spending more than 50 percent of income on housing are “severely cost burdened” or “severely rent-stressed.” The National Low income Housing Coalition (NLIHC) released a report in March of 2017 that finds minimum wage workers cannot afford a two bedroom rental unit at the average fair market rent, working a standard 40-hour work week, without paying more than 30 percent of their income for housing in any state in the country²⁵. The minimum wage in California is \$11 per hour; however, a household must earn \$33 per hour to avoid paying more than 30 percent of income on housing (and utilities) to afford a two bedroom unit at the average statewide fair market rent of \$1,540 per month.²⁶ The following figure compares cost burden at the state level with DR-4344 and DR-4353 counties, as well as Most Impacted and Distresses areas for both renters and owners.

Within DR-4344 and DR-4353 federally declared disaster areas, a slightly higher percentage of renters experience cost burden (56 percent) or severe cost burden (30 percent) as compared to the state overall. Similarly, a slightly higher percentage of homeowners are cost burdened (36 percent) or severely cost burdened (16 percent) compared to the state overall. In total, 2.9 million households in DR-4344 and DR-4353 federally declared disaster areas are cost burdened, and 1.4 million are severely cost burdened.

By comparison, there are fewer cost burdened renters (28 percent) and severely cost burdened renters (27 percent) in the seven most impacted areas, compared to the state or disaster areas. Rates of homeowners experiencing cost burden (34 percent) and severe cost burden (14 percent) are generally consistent across all geographies. In total, 107,466 households in the most impacted areas are cost burdened, and 88,891 are severely cost burdened.

FIGURE 20: COST BURDEN

Cost Burden	State of California	DR-4344 Counties	DR-4353 Counties	DR-4344 & DR-4353 Total	Most Impacted and Distressed Areas
Renters					
Cost Burdened Renters	3,148,253	338,701	1,382,001	1,720,702	53,188
Percent of Renters with Cost Burden	54%	55%	56%	56%	28%
Severely Cost Burdened Renters	1,639,423	172,182	732,416	904,598	52,047
Percent of Renters with Severe Cost Burden	28%	28%	30%	30%	27%

²⁵ National Low Income Housing Coalition, The Gap: A Shortage of Affordable Homes, March 2017, https://nlihc.org/sites/default/files/Gap-Report_2017.pdf.

²⁶ Department of Housing and Urban Development, FY 2018 California Fair Market Rent Summary, https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2018_code/2018state_summary.odn.

FIGURE 19: COST BURDEN (CONTINUED)

Cost Burden	State of California	DR-4344 Counties	DR-4353 Counties	DR-4344 & DR-4353 Total	Most Impacted and Distressed Areas
Owners					
Cost Burdened Owners	2,333,308	286,590	854,539	1,141,129	54,278
Percent of Homeowners with Cost Burden	34%	34%	37%	36%	34%
Severely Cost Burdened Owners	985,364	121,641	377,997	499,638	36,844
Percent of Homeowners with Severe Cost Burden	14%	14%	16%	16%	14%

Source: American Community Survey, 2012-2016 Five Year Estimates

b. Homeless Persons

When a disaster strikes, citizens living on the street are among the most vulnerable populations. The homeless population has little or no ability to evacuate, shelter in place, or stockpile resources such as food and medication. It also remains difficult to communicate emergency notifications to homeless persons, which gives little to no time for them to prepare for the impending disaster.

California has a large need for stable and affordable housing to serve the state's homeless population. The state had the third highest homelessness rate in the nation with 34 in every 10,000 people in the state experiencing homelessness in 2017. According to HUD, in 2017, California's total homeless population was 134,278, which was about one quarter of the national homeless population (553,742).²⁷

In January of every year, a Point-in-Time (PIT) count is conducted to count the number of sheltered and unsheltered people experiencing homelessness nationwide. The count is conducted by Continuums of Care (CoCs) which are regional planning bodies that coordinate housing and services for homeless families and individuals. The following table provides a list of each CoC for the counties impacted by the disaster.

²⁷ Politifact California, "Has California's homeless population 'skyrocketed'? And how does it rate nationwide?", <https://www.politifact.com/california/statements/2018/mar/27/travis-allen/has-californias-homeless-population-skyrocketed-an/>.

FIGURE 21: AFFECTED CONTINUUM OF CARE ENTITIES

CoC Number	Continuum of Care Name	Impacted County
CA-504	Santa Rosa/Petaluma/Sonoma County	Sonoma
CA-509	Mendocino County	Mendocino
CA-517	Napa City & County	Napa
CA-524	Yuba City & County/Sutter County	Yuba
CA-529	Lake County CoC	Lake
CA-603	Santa Maria/Santa Barbara County	Santa Barbara
CA-611	Oxnard/San Buenaventura/Ventura County	Ventura
CA-515	Roseville/Rocklin/Placer, Nevada Counties	Nevada
CA-518	Vallejo/Solano County	Solano
CA-519	Chico/Paradise/Butte County	Butte
CA-600	Los Angeles City & County	Los Angeles
CA-601	San Diego City and County	San Diego
CA-602	Santa Ana/Anaheim/Orange County	Orange

Source: Department of Housing and Community Development

The federally declared disaster areas are covered by 13 CoCs. In the 2017 count, a total of 81,107 persons were counted as homeless (14,732 in emergency shelters, 9,390 in transitional housing, and 56,985 unsheltered). The most impacted areas are covered by seven CoCs, with a total of 8,561 persons counted as homeless (2,263 counted in emergency shelter, 854 in transitional housing, and 5,444 unsheltered). Sixty percent of people counted as experiencing homelessness were in areas that became FEMA declaration areas, but only six percent of the state's total people experiencing homelessness were within Most Impacted and Distressed areas. This significant shift is explained by the concentration of homeless persons in the Los Angeles CoC, which was included in the FEMA declaration, but was not determined to be among the Most Impacted and Distressed areas.

FIGURE 22: 2017 POINT-IN-TIME COUNT

2017 Point-in-Time Count				
Scale of Data	Type of Shelter			Total Homeless
	Emergency Shelter	Transitional Housing	Unsheltered Homeless	
State Wide	26,854	15,782	91,642	134,278
FEMA Declaration Counties	14,732	9,390	56,985	81,107
Most Impacted Counties	2,263	854	5,444	8,561

Source: Department of Housing and Urban Development, CoC Housing Inventory Count Reports, 2017
<https://www.hudexchange.info/programs/coc/coc-housing-inventory-count-reports/>

Updated PIT Counts for 2018 were not available as this Action Plan was being drafted; however, local research provided data on trends for Sonoma County. The homeless population in Sonoma County experienced an increase after the fires. According to the 2018 Homeless Census & Survey Results, the homeless population increased by 161 persons from 2,835 persons in 2017 to 2,996

persons in 2018. Overall, Sonoma saw a six percent increase in homelessness in the four months after the fires and an 11 percent increase in first time homeless persons. Chronically homeless individuals, (people with disabilities who have been homeless a year or more) also increased by 149 persons from 2017 to 2018. Survey results show that 21,482 individuals were precariously housed, 10,741 of which, were directly associated with the fire at the time of the survey. Of these individuals, 39 percent lost housing in the fires and 11 percent lost housing due to economic impact of the fires. A significant proportion of the impacted population (43 percent) are 55 years of age or more. In July 2018, Sonoma County declared a state of emergency around homelessness.²⁸ Other DR-4344 and DR-4353 impacted communities reported similar issues, with fires impacted informal housing in rural areas, increased reports of impacted residents doubling up with family members, or even moving out of the impacted area.

Social Advocates for Youth (SAY), a provider of housing programs for youth in Sonoma County, provided additional data to support an increase in homelessness within Sonoma County. SAY found that 315 youths aged 12 to 24 were impacted and 100 were displaced—many of whom were living in homeless encampments or staying on a couch and not eligible for FEMA support. SAY reported that 81 fire impacted youths accessed its short or long term housing after the fires. SAY also noted that the decrease in available rental housing stock resulting from fires has made it much more difficult for it to finding housing for youth; prior to the fires, it took an average of one to two weeks for its advocates to find housing for youth, and after the fires it now takes four to eight weeks (even with increased deposits).²⁹

c. Mobile Housing Units

CAL FIRE's Damage Assessment of structures post disaster identified a total of 774 mobile housing units (MHU) damaged by the DR-4344 and DR-4353 disasters. As a state agency, HCD is responsible for developing and enforcing MHU regulations and laws. As of December 2017, HCD had identified 338 registered MHUs as completely destroyed, while the total number of units damaged remains unknown. 261 of the destroyed units were in Sonoma County. One mobile home park in Santa Rosa, Journey's End, was condemned after three quarters of its units, which were mostly owned or rented by low income seniors, were destroyed by fires. It has not been rebuilt. Also destroyed in Santa Rosa was the MHU senior living community The Orchard, and delays in rebuilding have resulted in a class-action lawsuit brought by residents against the park owner. Many communities facing housing affordability crises have cited mobile home parks as a last remaining source of affordable housing, thus the loss of these units is of particular significance. In Santa Rosa, for instance, impacted mobile home parks were subject to a Mobile Home Rent Control Ordinance which helps govern rents and expenses. The following table lists the number of MHUs in impacted counties using Census ACS data. Butte, Lake and Mendocino counties have the highest percentage of the impacted Counties, but damage to this critical stock of affordable homes across the Counties disproportionately impact low income households.

²⁸ The Press Democrat, "Sonoma County Declares Homeless Emergency," July 2018, <https://www.pressdemocrat.com/news/8515224-181/sonoma-county-declares-homeless-emergency>.

²⁹ Social Advocates for Youth, "Our Role in Short-term and Long-term Wildfire Recovery." July 2018.

FIGURE 23: MOBILE HOUSING UNITS IN IMPACTED COUNTIES

	Mobile Housing Units	
	Number of Units	% of Total Units in County
DR-4344		
Butte	12,336	12.7%
Lake	8,338	23.4%
Mendocino	4,468	11.0%
Napa	3,749	6.8%
Nevada	2,948	5.5%
Orange	29,306	2.7%
Sonoma	10,175	4.9%
Yuba	2,654	9.5%
DR-4353		
Los Angeles	53,701	1.5%
San Diego	43,153	3.6%
Santa Barbara	7,859	5.1%
Ventura	10,908	3.8%

Source: American Community Survey, 2012-2016 5 Year Estimates

d. California Social Service Programs

Disasters exacerbate preexisting conditions in communities, particularly on low income communities and the most vulnerable. The loss of property or possessions due to disaster can exacerbate health and mental health issues, creating additional challenges in a household and community's recovery process. Social service programs work to address these challenges by providing stability and opportunity, as well as promoting physical and mental wellness in communities throughout California.

Before, during, and after a disaster, social service programs allow California to ensure various forms of assistance are available to support affected communities and individuals in effectively identifying and addressing need. Social service professionals act as advocates and service providers to underserved populations, enabling people to access critical goods and services in order to become healthier and more self-sufficient. By ensuring access to needed resources, social services can help mitigate impacts of disasters on vulnerable populations. The following programs allow all Californians the opportunity to access aid from the local to the state level.

e. 2-1-1 California

The State of California has an extensive 2-1-1 network that provides residents with access to general information and referral to health and human services resources, as well as support during disaster events; information on evacuation, shelter, food, medical, and recovery information. Approximately 96 percent of California residents have access to 2-1-1, including all but two of the DR-4344 and DR-4353 impacted counties. The service is free and available 24 hours a day, seven days a week.

In the disaster and post-disaster period, localities utilized 2-1-1 services to varying degrees, with many implementing other call services, such as disaster-specific emergency hotlines that were used in place of 2-1-1. Ventura County, for instance, implemented a hotline by which 14,000 calls were answered. Santa Barbara County reported that the County Office of Emergency Services opened an additional disaster-related public line at the time of the Thomas Fire. Los Angeles County reported that many other call services were utilized, including the Forest Service's help line. Also, some 2-1-1 services reported utilizing a text-back service and did not differentiate between calls and texts received in data reporting.

The array of emergency service providers across communities is reflected in the data. Reports from 2-1-1 services in DR-4353 impacted counties indicated a 6 percent increase in call volume during the disaster period. On the other hand, DR-4344 impacted counties experienced a 47 percent decrease in call volume during the disaster period.

In a statewide 2017 Disaster Response After Action Report, 2-1-1 California documented the number of contacts made at 2-1-1's around the state regarding specific disasters. The report counts 4,051 contacts for DR-4344 (with only Sonoma and Butte reporting) and 24,192 contacts for DR-4353 (with Santa Barbara, Ventura, Los Angeles, and San Diego reporting).

FIGURE 24: DR-4353 2-1-1 CALL VOLUME³⁰

DR-4353 Impacted County	Number of calls Pre-Disaster (2017 Q3)	Number of calls during disaster period (2017 Q4)	Number of calls Post-Disaster (2018 Q1)
Santa Barbara	1,592	6,193	8,921
San Diego ³¹	51,750	66,018	55,028
Ventura	Not Reported		
Los Angeles	112,516	103,846	96,771
Total	165,858	176,057	160,720

Source: HCD County Interviews, June-July 2018.

³⁰ 2-1-1 services that provided data for this Action Plan include: United Way of Wine County, Volunteer Center of Sonoma County, Community Action Commission of Santa Barbara County, 2-1-1 San Diego, and 2-1-1 Los Angeles.

³¹ San Diego 2-1-1 also reported a monthly increase of 104 percent from November to December of 2017 and noted that the high call volume was largely due to an emergency evacuation notice mistakenly sent to cell phones countywide.

FIGURE 25: DR-4344 2-1-1 CALL VOLUME

DR-4344 Impacted County	Number of calls Pre- Disaster (2017 Q3)	Number of calls during disaster period (2017 Q4)	Number of calls Post- Disaster (2018 Q1)
Nevada	Not Reported		
Butte			
Mendocino	Not Reported	120	Not Reported
Sonoma	11,458	5,968	6,985
Lake	N/A*	N/A*	N/A*
Yuba	N/A*	N/A*	N/A*
Napa	Not Reported		
Total	11,458	6,066	6,985

**Lake and Yuba counties do not have 2-1-1 services*

The majority of 2-1-1 service providers in impacted counties were unable to provide a quantified accounting of top caller needs in a parallel format. However, both quantified and anecdotal accounts from Sonoma, Los Angeles, Mendocino, and Santa Barbara found housing/shelter to be a top need during the disaster period. During the disasters, call centers including 911 and 2-1-1 were inundated with emergency calls. Locals governments are working to strengthen their emergency communications services to prepare for future disasters.

f. California HOPE Program

Following the disasters, the California HOPE program was launched to provide outreach and counseling to those emotionally impacted by DR-4344 and DR-4353. California HOPE is a federally funded program that can send crisis counselors to meet people wherever they are (at home, school, business, etc.) to provide crisis counseling, resource navigation, and disaster recovery education. California HOPE is funded by FEMA and is administered by the California State Mental Health Authority (CMHA). California HOPE counselors specialize in helping survivors understand their current reactions, reduce stress, receive emotional support, prioritize needs and solve problems, choose coping strategies, and connect with people and agencies who can help.

g. Disaster CalFresh

In the 30-day period following the disaster, food stamps were available through Disaster CalFresh (D-CalFresh), federally known as Disaster Supplemental Nutrition Assistance Program (D-SNAP), to meet temporary nutritional needs of disaster victims. Income eligibility for D-SNAP benefits is based on income received specifically during the disaster period. For DR-4344, 4,658 individuals were issued D-SNAP benefits, and for DR-4353, 5,366 individuals were issued D-SNAP benefits. These benefits were provided even to those who did not meet the requirements for traditional CalFresh benefits.

FIGURE 26: D-SNAP NEW APPLICANTS FOR DR-4344 & DR-4354

County	Number of Households Issued D-SNAP Benefits	Number of Persons Issued D-SNAP Benefits
Los Angeles	0	0
San Diego	9	29
Santa Barbara	160	430
Ventura	1,764	4,907
Butte	9	20
Lake	255	532
Mendocino	60	164
Napa	209	591
Nevada	16	31
Sonoma	1,205	3,261
Yuba	27	59

Source: California Department of Social Services, August 2018

h. Insurance

While a standard homeowners insurance policy does cover losses from a wildfire, many policies do not provide enough funding to replace the entire home. There are high rates of underinsured property owners (discussed in more detail below) and certain recovery and rebuilding needs (e.g. removal of burned vegetation from private property) that are not covered by standard homeowner's policies.

In addition, the costs associated with meeting updated building codes and standards further exacerbate the gap between residential claim payouts and the actual cost to rebuild. Insurance coverage is sometimes confusing and highly dependent on the insurance company's specific coverages. In short, the reality facing many property owners is a shortfall of insurance funds available to rebuild their homes.

To alleviate the underinsured property issue, the state has enacted two new laws to help insured victims of wildfires. The first, AB 1799 (Chapter 69, Statutes 2018), requires that insurance companies provide standardized information to wildfire victims after they have suffered a loss, including information on the coverage they have paid for, their full insurance policy, endorsements, and their declaration page to better inform wildfire victims.

The second, AB 1797 (Chapter 205, Statutes 2018), requires that insurers writing residential property insurance conduct a replacement cost estimate on an every-other year basis. This would ensure policyholders are covered with current and timely estimates that accurately reflect their property's value.

These measures are forward looking and help relieve future issues relative to underinsured losses. However, homeowners currently seeking assistance through their insurance provider are not being adequately covered to fully recover from their losses.

i. California Department of Insurance

The California Department of Insurance (CDI) is the State of California's branch of a national system of insurance regulators and monitors. CDI's main function is to protect consumers by overseeing insurance companies, performing financial reviews, and examining insurers doing business in California. CDI enforces insurance laws and has authority over how insurers and licensees conduct business in California.

HCD requested the following data from CDI to further inform analysis of the needs of impacted communities and have a better understanding of the financial resources that have been provided to date. Data was requested in two tiers based on the importance of the data to completing the analysis of unmet needs. Tier 1 data was the highest priority and most important for the analysis.

Tier 1 Data Request:

- Payments and claims
 - Number of payments resulting from claims.
- Property conditions
 - Number of impacted single and multifamily properties.
 - Number of owner occupied properties and whether they are primary or secondary residences.
 - Number of impacted rental units.

Tier 2 Data Request:

- Payments and claims
 - Comparison of payments to coverage limits.
 - Identified cause of damage.
 - Number of appealed claims or claims not accepted by homeowners.
 - Number of mediation settlements.
 - Number of claims paid directly to lenders in a forced mortgage payment.
- Property conditions
 - Construction type for each property.
 - Material used to construct each property.

CDI responded to the data request from HCD on June 20, 2018. Unfortunately, the data CDI collects is not as detailed as that requested, therefore, responses to many of the insurance claim questions were limited.

California Department of Insurance Report Findings

CDI released *Trial by Fire* in 2018 that discusses the many ways in which climate change increases risk for insurers in California.³² The report notes that, while current legislative proposals

³² California Department of Insurance, [*Trial by Fire: Managing Climate Risks Facing Insurers in the Golden State*](#), 2019.

seek to specifically address wildfire-related insurance issues, climate change risks continue to multiply and combine, making it difficult for insurers to offer affordable insurance. The report also finds that insurers currently lack incentives to engage in analysis or implementation of large-scale resilience measures, which would aid in reducing risk.

The report discusses the potential for greenhouse gas reductions to reduce fire risk, and thus also reduce insurance risk. The report finds that in high fire risk parts of California the acreage burned by wildfires is projected to quadruple by the end of the century under current emissions standards. The result is a projected 51 percent increase in residential premiums. The report also states that aggressive emission reduction efforts could stabilize the rate of wildfire acreage burned by the mid-century.

The report also discusses the potential for insurers to increase coverage costs or remove coverage from the marketplace altogether as physical risks of climate change become more severe. It finds that in response to recent wildfires, major insurers have started to withdraw from covering properties and have significantly increased premiums in the WUI area where destructive wildfires are more prevalent. To preserve affordability, reforms will be necessary—the report notes that planning and building code improvements and resilient development practices could reduce policyholders' vulnerability.

CDI has proposed the following legislative reforms for insurance in high-risk fire areas:

- Requiring insurers to issue or renew property insurance policies for residents in state identified high fire risk zones “if the property meets specific mitigation and defensible space criteria and any other underwriting guidelines” which would be issued by CDI.
- Offering insurance premium credits to policyholders who face significant premium increases due to wildfire risk and who meet mitigation and defensible space criteria.
- Approving insurers' wildfire risk models (used to determine availability and premium levels) only if they properly account for property area factors like fuel density, ground slope, accessibility to emergency responders, and mitigation efforts.

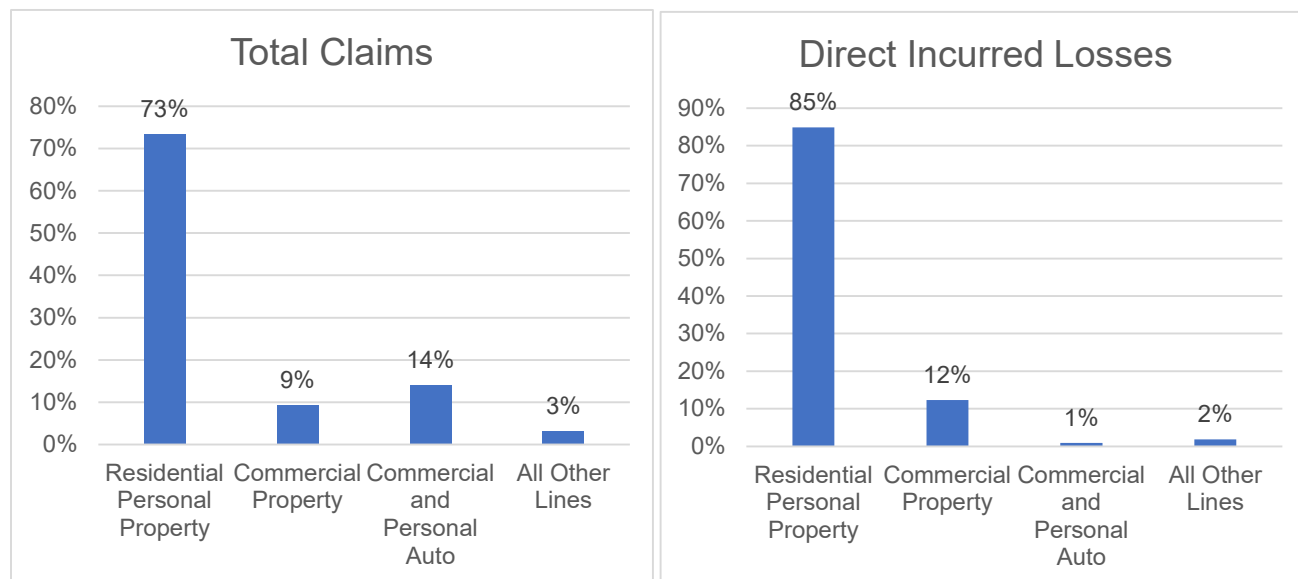
ii. DR-4344 and DR-4353 Insurance Claims

A total of 53,169 claims were filed with participating insurance companies for all personal and commercial lines of insurance, as a result of the October and December 2017 wildfires. There were approximately 39,034 residential claims, 4,991 commercial claims, 7,480 commercial and personal auto claims, and 1,664 claims for all other lines of insurance.

Participating insurance companies have recorded over \$10.4 billion in direct incurred losses to residential property related to the October and December wildfires. These amounts are subject to change as more claims are reported, settled, and closed.

A significantly greater proportion of claims, including claims resulting in total loss, are for residential property insurance. Most of these losses are from wildfire and smoke impacts.

FIGURE 27: TOTAL REPORTED CLAIMS AND DIRECT INCURRED LOSSES BY INSURANCE TYPE



Source: California Department of Insurance, May 2018

The Montecito mudslides resulted in 2,520 claims filed for all personal and commercial lines of insurance. This included 1,674 residential personal property claims, 329 commercial property claims, 754 commercial and personal auto claims and 80 claims for all other lines of insurance.

Direct incurred losses to residential property for the Montecito mudslides are over \$540 million. This amount is subject to change as more claims are reported, settled and closed. HCD will continue to work with CDI to evaluate available DR-4344 and DR-4353 insurance claim information as it becomes available.

iii. Residential Insurance

State of California

California residential property owners filed 39,034 residential personal property claims resulting from the October and December wildfires. Of these claims, 6,885 resulted in total loss and approximately \$10.6 billion was incurred in direct losses.

DR-4344

As seen in the figure below, DR-4344 accounted for 49 percent of total claims, 86 percent of claims resulting in total loss, and 80 percent of residential direct incurred losses in the state. DR-4344 incurred approximately \$8.6 billion in direct loss. Most of the claims within DR-4344 were from Sonoma County, which also had the highest number of claims that resulted in total loss (84 percent). In total, DR-4344 incurred approximately \$8.5 billion in direct losses. More than half of this amount went to Sonoma County (\$6.9 billion), followed by Napa County (\$1.2 billion). Butte County incurred the least loss with 59 claims, 16 of which resulted in total loss and \$5.4 million in direct residential losses.

United Policyholders, a non-profit insurance information resource, conducted a survey from August to October 2018 of households who had filed insurance claims as a result of DR-4344 to assess progress a year after the disaster. Survey results represent 555 households or 1,335 individuals:

- 53 percent of respondents reported that they had not settled the dwelling portion of their claim.
- 62 percent of respondents still planned to rebuild.
- Of the 17 percent that did not plan to rebuild, 67 percent reported that their insurance company had restricted their benefits to buy elsewhere.
- 66 percent of respondents reported being underinsured to cover the full cost of rebuilding.³³

This survey further illustrates the problem with underinsurance in impacted areas and adds additional context to the unmet needs analysis performed to inform the Action Plan.

DR-4353

DR-4353 accounted for 30 percent of total insurance claims, with 12 percent of claims categorized as a total loss, and 18 percent of direct incurred losses for a total of \$1.9 billion. Within DR-4353, residents of Ventura County filed the highest number of claims, a significant proportion of which were claims resulting in total loss (79 percent). Ventura County incurred \$1.4 billion in direct losses, the highest amount within DR-4353. San Diego County had the lowest number of residential personal property direct loss in DR-4353, with 70 claims claiming a total of \$90.7 million in direct losses.

Most Impacted and Distressed Areas

The total claims filed within the Most Impacted and Distressed areas represented 66 percent of claims filed in the State of California. 95 percent of these claims resulted in total loss and approximately \$10.4 billion was incurred in direct losses to residential personal property. Approximately \$1 billion was incurred as a direct loss in the 94558 zip code, located in Napa County. This figure was the highest among zip codes. The 95422 zip code in Lake County, incurred the lowest amount of direct loss of DR-4344 impacted counties at \$48.3 million. The total direct loss to residential personal property within the Most Impacted and Distressed areas represented 98 percent of all direct incurred losses statewide.

³³ United Policyholders, "[North Bay Fires – 12 Month Survey Results](#)," October 2018

FIGURE 28: INSURANCE CLAIMS AND LOSSES IN DISASTER AREAS

	Residential Personal Property		
	Total Number of Claims	Number of Claims resulting in Total Loss	Direct Incurred Losses
State Total	39,034	6,885	\$10,644,793,283
Federally Declared Disaster Areas			
DR-4344	19,118	5,916	\$8,553,899,283
Butte County	59	16	\$5,399,325
Lake County	256	97	\$48,363,120
Mendocino County	546	200	\$142,895,509
Napa County	2,545	472	\$1,206,434,647
Nevada County	82	32	\$18,851,507
Orange County	461	29	\$75,813,493
Sonoma County	14,779	4,963	\$6,987,811,497
Yuba County	390	107	\$68,330,185
DR-4353	11,821	796	\$1,867,230,202
Los Angeles County	3,053	63	\$115,774,721
San Diego County	1,152	70	\$90,756,438
Santa Barbara County	2,768	36	\$243,723,765
Ventura County	4,848	627	\$1,416,975,278
DR-4344 and DR-4353 Total	30,939	6,712	\$10,421,129,485
Most Impacted and Distressed Areas			
County			
Sonoma County	14,779	4,963	\$6,987,811,497
Ventura County	4,848	627	\$1,416,975,278
Zip Code			
95470 (Mendocino County)	454	190	\$136,433,298
95901 (Yuba County)	341	102	\$65,773,458
94558 (Napa County)	1,927	384	\$1,025,101,359
95422 (Lake County)	244	97	\$48,302,660
93108 (Santa Barbara)	3,392	196	\$758,500,141
Most Impacted and Distressed Total	25,985	6,559	\$10,438,897,691

Source: California Department of Insurance, May 2018

iv. Property and Casualty Insurance

The CDI data shows that between 2016 and 2017 incurred loss as a result of fire increased 134 percent, from \$386 million to \$902 million. In addition, incurred loss for Homeowners Multiple-Peril insurance also significantly increased going from approximately \$4 billion 2016 to \$15 billion in 2017 or 281 percent. Multiple peril insurance coverage bundles together multiple coverages that typically would be needed with each other, such as fire, lightning, explosion/implosion.

Statewide, the increase in loss has outpaced the increase in premiums paid from policyholders. The earned premium from 2016 to 2017 increased only 0.17 percent, rising from \$931,691,877

to \$933,262,145. The average earned premium since 1991 is \$762,902,274 and has not varied greatly since a highpoint in 2007 of \$1,167,122,132.

The CDI approximates the health of the insurance industry using a combination of factors. These factors include 1) expense ratios, or the cost of salaries and benefits for insurance company staff, 2) defense and cost containment, or the cost of case research, including legal fees and specific costs of deciding individual cases, and 3) loss ratio, or the cost of premiums earned by insurance companies divided by the cost of losses incurred and paid.

According to the combined ratio calculation, the State of California insurance industry has overextended by a combined ratio of 132.14 percent in 2017, meaning the total losses paid out by insurance companies, combined with their operating costs, have exceeded the amount earned through premium collection. This ratio is applied industry wide and not to a specific insurance company. Insurance companies are able to absorb losses such as these due to years in which the combined ratio is less than 100 percent, allowing insurance companies to save and invest their profits. However, multiple years with high combined ratios could eventually lead to problems paying insurance claims. The 2017 combined ratio is a historic high for the dataset provided by the CDI, which extends to 1991.

v. Small Business Assistance (SBA) Disaster Home Loans

Another resource for homeowners that sustained damage from the wildfires are SBA disaster loans. These loans are the basic form of federal disaster assistance for homeowners with good credit history and income, whose private property sustained damage that is not fully covered by insurance. Homeowners and renters whose property was damaged by a presidentially declared disaster can apply for an SBA low interest loan. Interest rates on these loans are determined by law and are assigned on a case-by-case basis.

Interest rates are 1.75 percent if the applicant does not have credit available elsewhere and 3.5 percent if credit is available elsewhere for loans related to the disasters. Home loans are limited to the lesser of \$200,000 or the uninsured disaster loss for the repair or replacement of real estate, and \$40,000 maximum to repair or replace personal property, including vehicles.³⁴ Mitigation loans are another source of funding from the SBA and are available to qualified applicants to cover the cost of improvements that protect the property against future damage.

Examples of work that mitigation loans fund include retainage walls, seawalls, sump pumps, and other items that help reduce future losses. Mitigation loan funds are in addition to the SBA disaster home loan funds and cannot exceed 20 percent of the home loan amount.

³⁴ Federal Register Notice 82 FR 48874, U.S. Small Business Administration, October 12, 2017. "[California Declaration # 15352 and #15353](#)".

State of California

The State of California received a total of 4,148 SBA home loan applications for assistance after the October wildfires. As of June 17, 2018, 1,406 loans were approved totaling \$163.2 million; 1,265 applications were declined, 23 were in process, and 966 applications were withdrawn. Additionally, 488 applications were issued a summary decline. A summary decline is issued if the ability to repay the loan is not evident after a preliminary analysis of the home loan application. The applicant is then referred to the Individuals and Households Program (IHP), for further assistance.

DR-4344

SBA received 3,314 home loan applications within the DR-4344 counties in response to the disasters in October of 2017. As of June 17, 2018, 1,055 of these applications have been approved, 1,027 have been declined, 14 applications were in process, and 834 applications have been withdrawn. A summary decline was issued to 384 applications.

SBA approved home loans within DR-4344 amount to \$126.3 million. A breakdown of the approved loans is categorized by county in the table below.

FIGURE 29: DR-4344 TOTAL HOME LOANS APPROVED BY SBA

Total Home Loans Approved by SBA	
County	Total Home Loans
Butte County	\$532,100
Lake County	\$453,900
Mendocino County	\$6,182,800
Napa County	\$6,776,400
Nevada	\$137,400
Orange County	\$353,100
Sonoma County	\$107,943,700
Yuba County	\$3,968,000
Total	\$126,347,400

Source: U.S. Small Business Administration, 2018

DR-4353

Within DR-4353, SBA received 834 home loan applications in response to the wildfires and corresponding disasters in December 2017. As of June 17, 2018, 351 of these applications have been approved, 238 have been declined, 9 applications were in process, and 132 applications have been withdrawn; 104 applications were issued a summary decline.

SBA approved home loans within DR-4353 amount to \$36.9 million. A breakdown of the approved loans is categorized by county in the table on the following page.

FIGURE 30: DR-4353 TOTAL HOME LOANS APPROVED BY SBA

Total Home Loans Approved by SBA	
County	Total Home Loans
Los Angeles County	\$1,688,200
San Diego County	\$4,234,100
Santa Barbara County	\$6,844,000
Ventura County	\$24,122,100
Total	\$36,888,400

Source: U.S. Small Business Administration, 2018

Most Impacted and Distressed Areas

Between November 2017 and June 2018, 3,818 home applications were received within the Most Impacted and Distressed areas. Of these applications, 1,319 home loan applications have been approved, 1,152 were declined, 19 were in process, and 895 applications have been withdrawn; 433 applications were issued a summary decline.

SBA approved home loans for the Most Impacted and Distressed areas amount to \$155.4 million. A breakdown of the approved loans is categorized by county and zip code in the table below.

FIGURE 31: TOTAL HOME LOANS APPROVED BY SBA IN MOST IMPACTED AREAS

Total Home Loans Approved by SBA	
County	Total Home Loans
Sonoma County	\$107,943,700
Ventura County	\$24,122,100
Zip Code	
95470 (Mendocino County)	\$5,954,000
95901 (Yuba County)	\$3,739,300
94558 (Napa County)	\$6,696,800
95422 (Lake County)	\$405,900
93108 (Santa Barbara)	\$6,490,500
Total	\$155,352,300

Source: U.S. Small Business Administration, 2018

vi. Public Housing Assistance (PHA) Data

No public housing units were impacted by DR-4344 or DR-4353, however Housing Choice Voucher program units were minimally impacted by both disasters.

Despite minimal physical damage to units, an overarching theme reported by many local housing authorities was the loss of rental housing stock available for Housing Choice Voucher holders. Sonoma County reported that the voucher holder success rate for finding a unit declined to 42 percent after the disaster. Mendocino County similarly reported that their voucher holder success rate had dropped from around 60 percent to the 30 to 40 percent range. The Santa Rosa Housing Authority saw a 112 percent increase in the number of applicants for their Housing Choice Voucher program from May 2016 to May 2018. Napa County noted that damage to rental housing

stock has seemingly caused the overall vacancy rate to drop from 2 percent to 1 percent post disaster, and a subsequent increase in rent. Yuba County reported no damage to public housing but did note severe impact to a renter occupied trailer park, where many renters did not have renter's insurance and were left without resources to find alternate housing. The following figures provide an overview of the number of HUD assisted properties in the disaster-impacted counties.

DR-4344

10.5 percent (30,832) of California's Housing Voucher participants reside within DR-4344. DR-4344 also contains 10.5 percent (28,827) of the state's LIHTC units and 1.1 percent (335) of its public housing.

DR-4353

DR-4353 contains a significant amount of California's housing assistance population - 41.8 percent (122,353) of the state's Housing Choice Voucher participants, 35.6 percent (97,406) of its LIHTC units and 6.3 percent (1,920) of public housing dwelling units.

Collectively, 52.3 percent (153,185) of Housing Choice Voucher participants reside within the federally declared disaster areas. They also contain 46.2 percent (126,233) of LIHTC units and 7.4 percent (2,255) of public housing dwelling units statewide.

Most Impacted and Distressed Areas

Most Impacted and Distressed areas contain 4.5 percent (13,236) of Housing Choice Voucher participants, 5.0 percent (13,524) of the state's LIHTC units and 1.2 percent (358) of public housing dwelling units.

FIGURE 32: HUDASSISTED HOUSING IN IMPACTED AREAS

	Total Housing Choice Vouchers	Total Impacted Housing Choice Voucher Program Units	Total LIHTC Units	Total Impacted LIHTC Units	Total Public Housing Dwelling Units	Total Impacted Public Housing Dwelling Units
State of California	292,639	39	273,297	0	30,561	0
Federally Declared Disaster Areas						
DR-4344	30,832	38	28,827	0	335	0
Butte County	2,041	0	1,894	0	27	0
Lake County	237	2	742	0	15	0
Mendocino County	1,046	0	642	0	13	0
Napa County	1,373	3	1,504	0	18	0
Nevada County	289	0	1,214	0	20	0
Orange County	20,911	0	16,108	0	151	0
Sonoma County	4,228	33	5,921	0	80	0

	Total Housing Choice Vouchers	Total Impacted Housing Choice Voucher Program Units	Total LIHTC Units	Total Impacted LIHTC Units	Total Public Housing Dwelling Units	Total Impacted Public Housing Dwelling Units
Yuba County	707	0	802	0	11	0
DR-4353	122,353	1	97,406	0	1,920	0
Los Angeles County	82,477	0	66,608	0	1,499	0
San Diego County	27,184	0	22,231	0	47	0
Santa Barbara County	5,723	1	2,829	0	96	0
Ventura County	6,969	0	5,738	0	278	0
DR-4344 and DR-4353 Total	153,185	39	126,233	0	2,255	0
Most Impacted and Distressed Areas						
County						
Sonoma County	4,228	33	5,921	0	80	
Ventura County	6,969	0	5,738	0	278	
Zip Code						
95470	44	0	-		-	
95901	578	0	505	0	-	
94558	1,048	0	764	0	-	
95422	157	0	596	0	-	
93108	212	0	-		-	
Most Impacted and Distressed Areas Total	13,236	33	13,524		358	

Source: Source: Department of Housing and Urban Development, egis-hud.opendata.arcgis.com

Public Housing Authority Consultation

To support the unmet needs assessment, HCD reached out to 12 Housing Authorities within the impacted areas to understand the unmet needs faced by PHAs as a result of the disasters. The authorities HCD contacted are identified in Figures 30 and 31 below.

FIGURE 33: PUBLIC HOUSING AUTHORITIES IN DR-4344 AREA

DR-4344	Public Housing Authority
Butte County	Housing Authority of the County of Butte
Lake County	Lake County Department of Social Services, Area Agency on Aging
Mendocino County	Community Development Commission of Mendocino County (CDC)
Napa County	City of Napa, Housing Division
Nevada County	-
Orange County	Housing Authority of City of Anaheim,
Sonoma County	Sonoma County Housing Authority, City of Santa Rosa Department of Housing and Community Services
Yuba County	Yuba County Health and Human Services

FIGURE 34: PUBLIC HOUSING AUTHORITIES IN DR-4353 AREA

DR-4353	Public Housing Authority
Los Angeles County	Housing Authority of the County of Los Angeles
San Diego County	Housing Authority of the County of San Diego
Santa Barbara County	Housing Authority of County of Santa Barbara
Ventura County	Housing Authority of City of San Buenaventura Housing Authority of City of Santa Paula

7. Impact on Vulnerable Populations

The American Public Health Association has found that low income immigrants are much less likely to receive general public benefits such as cash benefits, food stamps, and health coverage. Post-disaster low income immigrants face additional barriers, with immigration status and limited English proficiency barriers to disaster relief funds and fear of compromising future permanent legal status by enrolling in disaster relief programs.³⁵ The Public Policy Institute of California reported that as of 2014 an estimated 2.35 to 2.6 million undocumented workers were living in California, comprising a quarter of all undocumented immigrants in the US and one in ten workers in California.³⁶ Ineligible for FEMA aid, and unlikely to apply for other public assistance, it is unknown how many undocumented immigrants were impacted by the 2017 wildfires.

Community organizations in northern and southern California formed to provide private aid to the impacted undocumented population; the 805 UndocuFund in Santa Barbara/Ventura, and the UndocuFund for Fire Relief in Sonoma County. As of July 2018, 805 UndocuFund had provided direct aid to over 200 families and still had a waiting list of 1,100 families. As of October 2018, UndocuFund Sonoma County had provided aid to almost 1,900 families. UndocuFund Sonoma

³⁵ American Public Health Association, "Addressing the Needs of Immigrants in Response to Natural and Human-Made Disasters in the United States," <https://www.apha.org/policies-and-advocacy/public-health-policy-statements/policy-database/2014/07/23/17/36/addressing-the-needs-of-immigrants-in-response-to-natural-and-humanmade-disasters-in-the-us>, November 2006.

³⁶ Public Policy Institute of California, "Undocumented Immigrants in California," <http://www.ppic.org/publication/undocumented-immigrants-in-california/>, March 2017.

County reported that after receiving assistance, families continued to face struggles in securing adequate housing, transportation, and mental health support.³⁷

Lost wages and the inability to apply for unemployment has impacted undocumented workers in the agricultural industry. Napa reported that the greatest fire impact in their community was to low income workers employed in the wine and hospitality industries, disproportionately impacted by wage losses due to existing financial burden and lack of reserves. In Ventura, 140 farms experienced physical and production losses, resulting in an estimated loss of \$200 million. In 2016, the Farm Bureau of Ventura County estimated that their farms employed 36,000 field workers, 91 percent of whom were born in Mexico.³⁸ Though invisible in reported loss data, undocumented immigrants are disproportionately employed in the agriculture industry, sustaining economic and other losses in Ventura and other impacted jurisdictions.

a. Population with Disabilities

Disabled people are among the groups considered as being more at risk of suffering negative effects from natural disasters, such as earthquakes, landslides, floods and droughts, etc. Indeed, disabled people are often not reached in time by the early warning systems that alert the public, which contributes to their vulnerability³⁹. Some of the reasons disabled people experience difficulty and are vulnerable include: inability to evacuate immediately without difficulty in the event of a sudden disaster; absence of an individual preparedness plan for natural disasters; availability of another person to help them evacuate; awareness of their community's disaster preparedness plan and; lack of consultation during the preparation of disaster preparedness plans.

The Census' ACS assesses six disability types:⁴⁰

- Hearing difficulty, deaf or having serious difficulty hearing.
- Vision difficulty, blind or having serious difficulty seeing, even when wearing glasses.
- Cognitive difficulty because of a physical, mental, or emotional problem, having difficulty remembering, concentrating, or making decisions.
- Ambulatory difficulty, having serious difficulty walking or climbing stairs.
- Self-care difficulty, having difficulty bathing or dressing.
- Independent living difficulty, because of a physical, mental, or emotional problem, having difficulty doing errands alone such as visiting a doctor's office or shopping.

As seen in Figure 32 below, which shows the number and percentage of noninstitutionalized persons with a disability within the impacted counties; the proportion of disabled persons within both DR-4344 and DR-4353 impacted counties are approximately ten percent.

³⁷ UndocuFund for Fire Relief in Sonoma County, "Our Impact," <http://undocufund.org/impact/>.

³⁸ Farm Bureau of Ventura County, "[Frequently Asked Questions about Ventura County Agriculture](#)," March 2016.

³⁹ Ideas for Development, "Persons with Disabilities: Among the First Victims Of Natural Disasters," <https://ideas4development.org/en/persons-disabilities-among-first-victims-natural-disasters/> December 2014.

⁴⁰ U.S. Census Bureau, "How Disability Data are Collected from the American Community Survey," <https://www.census.gov/topics/health/disability/guidance/data-collection-acrs.html>

In DR-4344 counties with the highest percentages of disabled persons include Lake, Butte, Mendocino and Yuba. The proposed CDBG-DR programs detailed in the Action Plan articulate prioritization for persons with disabilities impacted by the disasters.

FIGURE 35: DR-4344 NONINSTITUTIONALIZED PERSONS WITH A DISABILITY

DR-4344	Total Civilian Noninstitutionalized Population	Total Civilian Noninstitutionalized Population with a Disability	Percent of Total Noninstitutionalized Population with a Disability
Butte County	221,452	38,196	17.2%
Lake County	63,400	13,627	21.5%
Mendocino County	86,630	14,598	16.9%
Napa County	138,899	15,370	11.1%
Nevada County	97,667	14,411	14.8%
Orange County	3114,968	265,805	8.5%
Sonoma County	493,344	58,655	11.9%
Yuba County	71,472	12,114	16.9%
Total	4,287,832	432,776	10.1%

Source: American Community Survey, 2012-2016 5 Year Estimates

The disabled population within each DR-4353 county is roughly the same around 10 percent. Though this is a relatively small proportion of the population, they would require special monitoring as they are particularly vulnerable.

FIGURE 36: DR-4353 NONINSTITUTIONALIZED PERSONS WITH A DISABILITY

DR-4353	Total Civilian Noninstitutionalized Population	Total Civilian Noninstitutionalized Population with a Disability	Percent of Total Noninstitutionalized Population with a disability
Los Angeles County	9,988,629	984,716	9.9%
San Diego County	3,154,251	310,902	9.9%
Santa Barbara County	432,111	42,011	9.7%
Ventura County	836,448	87,687	10.5%
Total	14,411,439	1,425,316	9.9%

Source: American Community Survey, 2012-2016 5 Year Estimates

b. Elderly Population

Senior households also face special challenges and are disproportionately affected in the face of disaster. Challenges range from owner occupied households not having insurance as the mortgage is likely paid off, to persons unable to take medication due to lack of electricity needed to properly store medications. The tables below show that within DR-4344, people aged 65 and over comprise 14.3 percent of the population, 42.3 percent who live alone.

FIGURE 37: POPULATION 65 YEARS AND OVER

DR-4344	Population 65 Years and Over	Percent of Total Population 65 Years and Over	Percent of Population 65 Years and Over Living Alone
Butte County	38,145	17.0	49.2%
Lake County	13,122	20.5	49.5%
Mendocino County	16,542	18.9	53.5%
Napa County	23,949	17.0	46.8%
Nevada County	23,093	23.4	44.8%
Orange County	412,701	13.2	38.5%
Sonoma County	83,344	16.7	52.7%
Yuba County	8,463	11.5	42.3%
Total	619,359	14.3	42.3%

Source: American Community Survey, 2012-2016 5 Year Estimates

The elderly population within DR-4353 comprises 12.5 percent, of whom 40.2 percent live alone, as seen in Figure 35.

FIGURE 38: POPULATION 65 YEARS AND OVER

DR-4353	Population 65 Years and Over	Percent of Population 65 Years and Over	Percent of Population 65 Years and Over Living Alone
Los Angeles County	1,227,202	12.2	39.6%
San Diego County	413,435	12.7	41.4%
Santa Barbara County	61,517	14.0	47.1%
Ventura County	114,620	13.6	38.9%
Total	1,816,774	12.5	

Source: American Community Survey, 2012-2016 5 Year Estimates

c. Population with Limited English Proficiency

Limited English Proficiency (LEP) persons are people who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English. LEP persons are especially vulnerable in the face of disaster as they may not be able to effectively participate in or benefit from federally assisted programs.

HCD conducted a four-factor analysis using 2011 to 2015 ACS data to determine the proportion of population within impacted counties that were LEP. The analysis uses thresholds of a minimum of 1,000 persons or at least 5 percent of the population who speak a language other than English at home and also speak English less than “very well”, to determine the proportion of persons who are LEP.

Results of the analysis showed that within DR-4344, Lake, Mendocino, Napa, Orange, Sonoma and Yuba counties and in DR-4353, Los Angeles, San Diego, Santa Barbara and Ventura counties met the 1,000 persons or 5 percent LEP persons threshold for Spanish language only. No other languages spoken at home met the threshold within impacted counties. The tables below

show the proportions of persons who speak Spanish at home and speak English less than “very well” within the impacted counties.

Within DR-4344, Napa and Orange counties have the highest populations of LEP persons, both exceeding 10 percent, while all counties within DR-4353 have greater than 10 percent of LEP persons. These persons may require special attention and outreach for participation in federal assistance programs.

FIGURE 39: DR-4344 SPANISH LANGUAGE SPOKEN AT HOME BY ABILITY TO SPEAK ENGLISH (AGES 5+)

DR-4344	Estimate Speak English Less than “Very Well”	Percent Speak English Less than “Very Well”
Butte County	6,134	2.9%
Lake County	3,444	5.7%
Mendocino County	7,070	8.6%
Napa County	18,708	14.1%
Nevada County	1,709	1.8%
Orange County	342,794	11.7%
Sonoma County	42,419	9.1%
Yuba County	4,700	7.0%
Total	426,978	10.6%

Source: American Community Survey, 2012-2016 5-Year Estimates

FIGURE 40: DR-4353 SPANISH LANGUAGE SPOKEN AT HOME BY ABILITY TO SPEAK ENGLISH (AGES 5+)

DR-4353	Estimate Speak English Less than “Very Well”	Percent Speak English Less than “Very Well”
Los Angeles County	1627,354	17.3%
San Diego County	305,260	10.1%
Santa Barbara County	62,844	15.4%
Ventura County	105,811	13.5%
Total	2,101,269	15.4%

Source: American Community Survey, 2012-2016 5-Year Estimates

Since persons who speak Spanish at home and speak English less than “very well” were the only group to meet the threshold within impacted counties, HCD will conduct targeted outreach to these persons, such as translating pertinent materials to Spanish and having a Spanish language translator available at public meetings. HCD will also provide translation services for additional languages if requested in advance.

8. Analysis of Housing Unmet Need

a. Overview of Data Sources

Both DR-4344 and DR-4353 led to significant impacts to housing. The geographic spread of the disasters across the State of California also presents challenges for having consistent data to understand housing unmet needs. This section examines the data available to understand

impacts to housing across the disaster area. Sources include: FEMA Individual Assistance, SBA, the State of California Department of Forestry and Fire Protection (CAL FIRE) Damage Inspection, and insurance claim information provided by the CDI.

b. Limitations of Data

As with all disasters, data availability and quality are critical to understanding damages and provide a portrait of unmet recovery needs. To fully understand the disaster, HCD will use a combination of data sources. The following provides an overview of pros and cons of using particular data sources:

- **FEMA Individual Assistance (IA)** – Households voluntarily register for FEMA Individual Assistance. Total FEMA IA registrations for both DR-4353 and DR-4344 were 29,363 applicants. However, of the 29,363 applicants, only 3,048 households have a FEMA Verified Loss over \$0. While the gap between the number of applicants and households with a verified loss does not represent the full scale of the disaster impacts, the data available at the household level, including income and damage, allows for an analysis that follows the unmet needs calculation outlined in the Federal Register Notice. FEMA IA includes both renters and owners. FEMA Verified Loss awards only provide assistance for repair and replacement to make the home habitable.
- **Small Business Administration** – Similar to FEMA IA, the SBA disaster loan program is a voluntary program available to impacted households. As a loan program, SBA residential loan registrations skew towards homeowners. However, compared to FEMA Verified Loss (FVL) inspections, which only cover the cost for repair and replacement, SBA loan amounts are based on an inspection that covers the full cost to restore a home. To date, 3,971 households have registered for SBA home loans.
- **CAL FIRE Damage Inspection** – As the state fire agency, CAL FIRE deploys inspectors after all disasters within the State of California. Using ArcGIS, inspectors use parcel maps to document damage by property. The damage inspection includes parcel, address, structure type, construction type, damage categories, and vegetation clearance information for all impacted properties. This parcel-by-parcel survey includes commercial, mobile home, outbuildings and detached structures, and residential structures. For purposes of this analysis, HCD limited the CAL FIRE data to residential structures, including single family, multifamily, and mobilehome structures. This parcel level assessment provides a more robust picture of structural damage but does not include damage estimate amounts or information on the household resident.
- **CDI Claims** – While floods and hurricanes can rely on National Flood Insurance Program data, fire damage must be collected from individual insurance companies. HCD requested address level insurance claim information for disaster impacted households through CDI, but household level information on claims was not available. However, CDI collected information from individual insurance companies on claims by zip code. As better data becomes available, HCD will provide an updated estimate of

claims by household. This data covers a large period of time and does not guarantee that claims are disaster related.

This section presents an analysis of FEMA IA, SBA, CAL FIRE and CDI data to reflect damage caused by DR-4344 and DR-4353 as well as demonstrate the ongoing unmet recovery needs of residents impacted by the disasters. Ultimately, no one data source accurately captures the population impacted by DR-4344 and DR-4353. This Action Plan and unmet needs analysis captures a point in time and reflects the best available data at the time of its publication. In addition to using the process outlined for understanding housing unmet needs provided by HUD, HCD presents an alternative methodology using CAL FIRE's damage collection data. However, in an effort to understand the application population for housing programs, HCD is proposing a program survey period prior to launching its Homeowner Rehabilitation and Reconstruction Program to capture an accurate portrait of remaining unmet housing recovery needs.

c. FEMA Individual Assistance

The IA data provided by FEMA on May 24, 2018, was used to quantify housing applicants impacted by DR-4344 and DR-4353. This analysis updates the Methodology for Funding Allocation under Public Law 115-123 provided by HUD to HCD in April 2018, which used FEMA IA data from February 2018. This section presents the unmet needs calculation for renter and owner households. FEMA received 29,363 total applicants for both DR-4344 and DR-4353, including 18,035 owner occupied households (61 percent) and 11,251 renter occupied households (38 percent). Of the 29,363 total FEMA IA applicants, only 3,971 (14 percent) of applicants had an FVL above \$0. FVL is based on calculations taken from an inspector. The Stafford Act limits FEMA home repair assistance to expenses that return an eligible applicant's pre-disaster home to a safe, sanitary, and secure condition, not necessarily pre disaster conditions. Of households with an FVL above \$0, 1,037 were owner occupied (34 percent) and 2,009 (66 percent) were renter occupied.

FIGURE 41: TOTAL FEMA INDIVIDUAL ASSISTANCE APPLICATIONS

FEMA Individual Assistance	4344	4353	Total
Total Registrations	25,292	3,904	29,196
Total FVL Over \$0	2,217	831	3,048
Total with Unmet Needs	4,673	727	5,400
Average FVL	\$34,605	\$25,385	\$29,995

Source: FEMA, May 2018

i. Damage Categories

The Federal Register Notice provides damage categories for both owner-occupied and renter occupied households for calculating unmet recovery needs. The following outlines the damage categories by owner occupied and renter occupied households:

Owner Occupied Households

- Minor Low:
 - Less than \$3,000 of FEMA inspected real property damage
- Minor High:
 - \$3,000 to \$7,999 of FEMA inspected real property damage
- Major Low:
 - \$8,000 to \$14,999 of FEMA inspected real property damage
- Major High:
 - \$15,000 to \$28,800 of FEMA inspected real property damage
- Severe:
 - Greater than \$28,800 of FEMA inspected real property damage or determined destroyed

Renter Occupied Households

- Minor Low:
 - Less than \$1,000 of FEMA inspected personal property damage
- Minor High:
 - \$1,000 to \$1,999 of FEMA inspected personal property damage
- Major Low:
 - \$3,500 to \$4,999 of FEMA inspected personal property damage
- Major High:
 - \$5,000 to \$8,999 of FEMA inspected personal property damage
- Severe:
 - Greater than \$9,000 of FEMA inspected personal property damage

For its unmet housing need calculation, HUD only considers Major Low, Major High, and Severe damage categories for both owner and renter households. These multipliers are based on the average unmet housing needs less assistance from FEMA and SBA provided for repair and reconstruction to homes with serious unmet needs. The following figure provides HUD's serious unmet housing needs multipliers by damage category for the State of California.

FIGURE 42: SERIOUS UNMET HOUSING NEED MULTIPLIERS (PROVIDED BY HUD)

State	Major Low	Major High	Severe
California	\$40,323	\$55,812	\$124,481

The following figure provides a breakdown of total unmet needs for owner occupied and renter occupied households using FEMA IA data and the unmet needs multipliers previously provided. These totals are for households with a FVL over \$0. Only a fraction of the FEMA registrants have a FVL above \$0, with 1,037 owner occupied households and 2,009 renter occupied households, for a total of 3,046 households across DR-4344 and DR- 4353 disaster areas.

FIGURE 43: FEMA IA DAMAGE CATEGORY BY OWNER AND RENTER HOUSEHOLDS

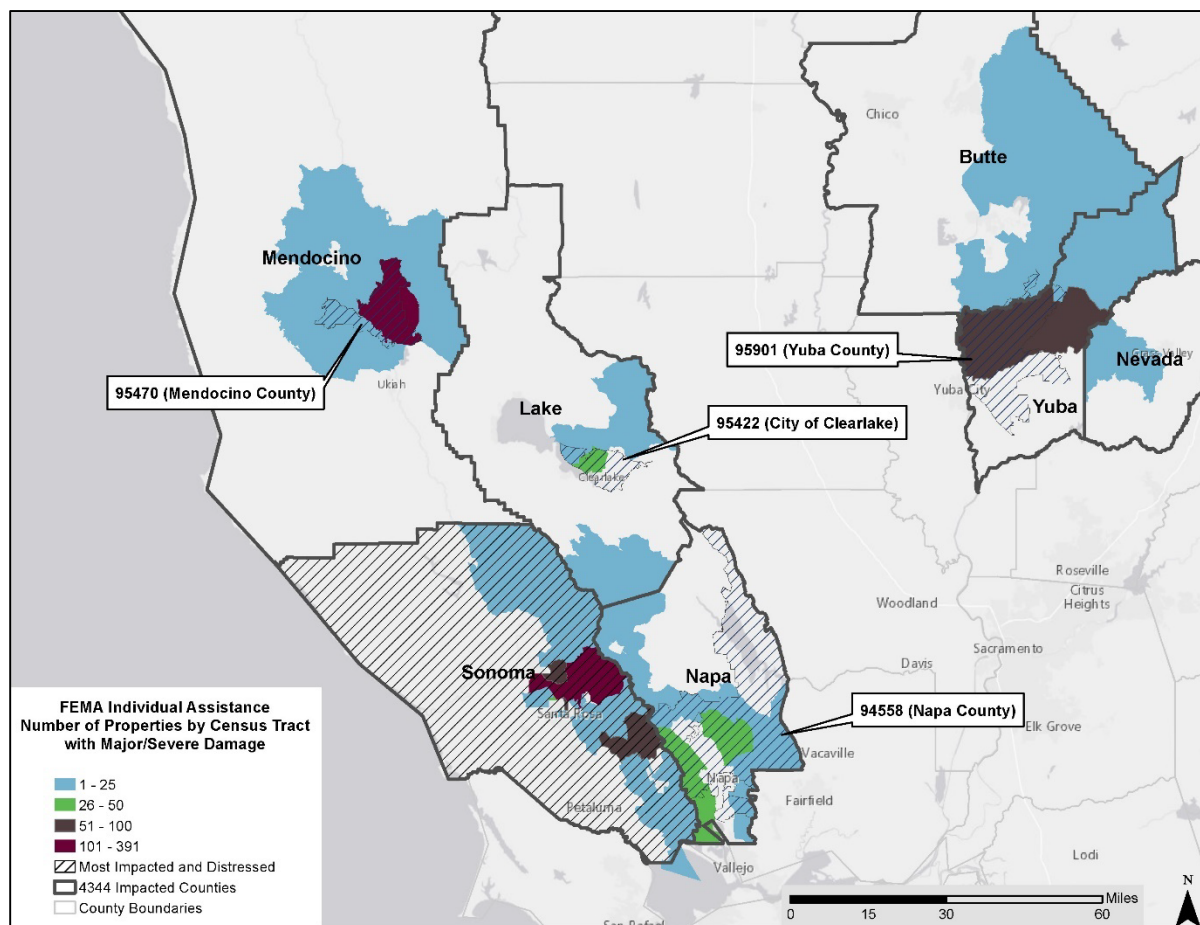
FEMA IA Damage Category	Owner Occupied	Renter Occupied	Total
Minor-High	102	235	337
Minor-Low	249	182	431
Major-High	59	590	649
Major-Low	38	311	349
Severe	589	691	1,280
Grand Total	1,037	2,009	3,046

Source: FEMA May 2018

The following figures show maps for both DR-4344 and DR-4353 disaster impacts. The maps include Major-Low, Major-High, and Severe damaged owner occupied and renter occupied properties by Census Tract. Light blue shows tracts with under 25 FEMA IA Major/Severe properties, green indicates 26 to 50 properties, dark grey 51 to 100 properties, and dark purple shows the highest concentration of damage with 100 to 391 properties by census tract.

The figure below shows the concentration of damage for DR-4344 impacted counties in Northern California. In addition to the damage categories, the map shows Most Impacted and Distressed areas using a cross hatch. These areas are by zip code and by county (Sonoma).

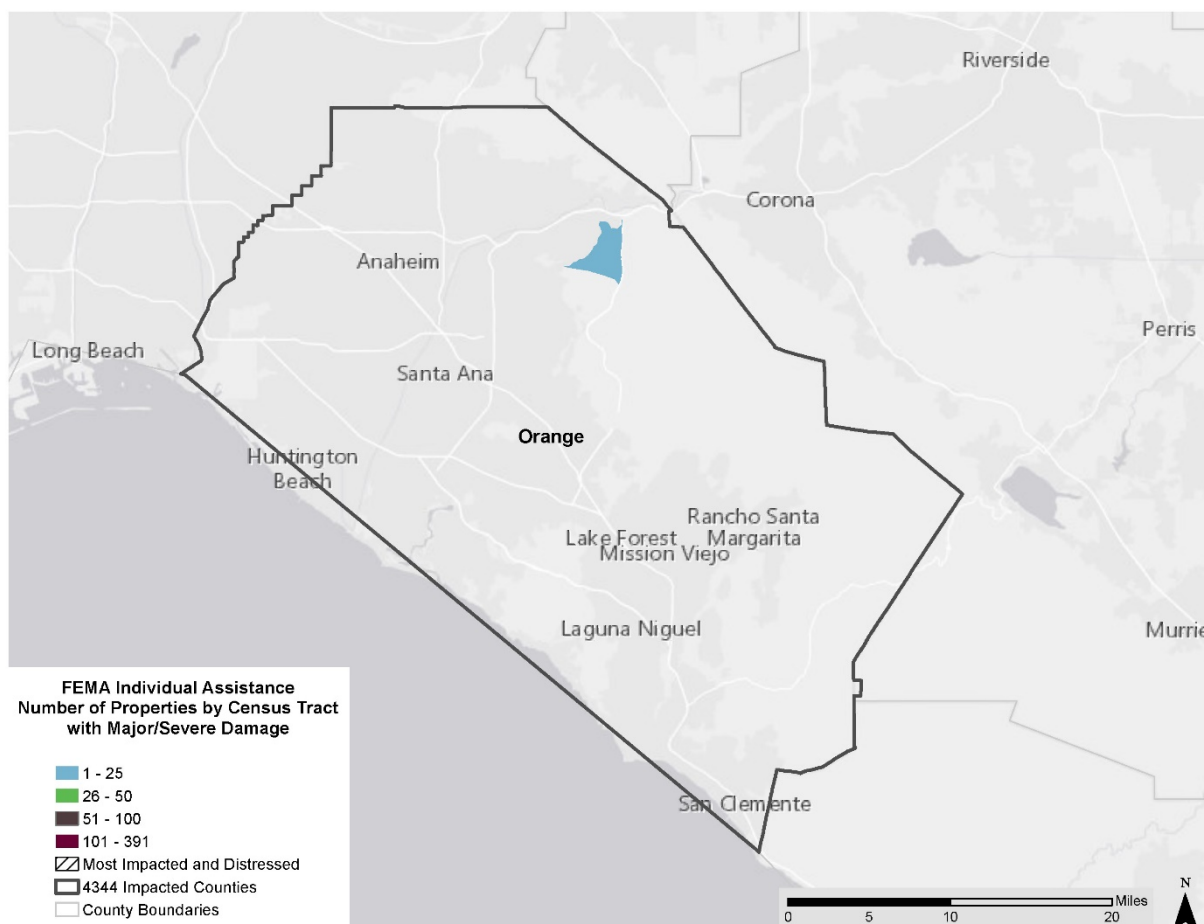
FIGURE 44: FEMA IA MAJOR/SEVERE DAMAGE BY COUNTY (4344) – NORTHERN CALIFORNIA



Source: FEMA, U.S. Census Bureau, ESRI

The scope of DR- 4344 that spread across northern California counties also included Orange County in southern California. The following figure shows the FEMA IA registrations that have Major/Severe damage in Orange County. Only one census tract, noted in blue, shows the FEMA IA registrations in Orange County.

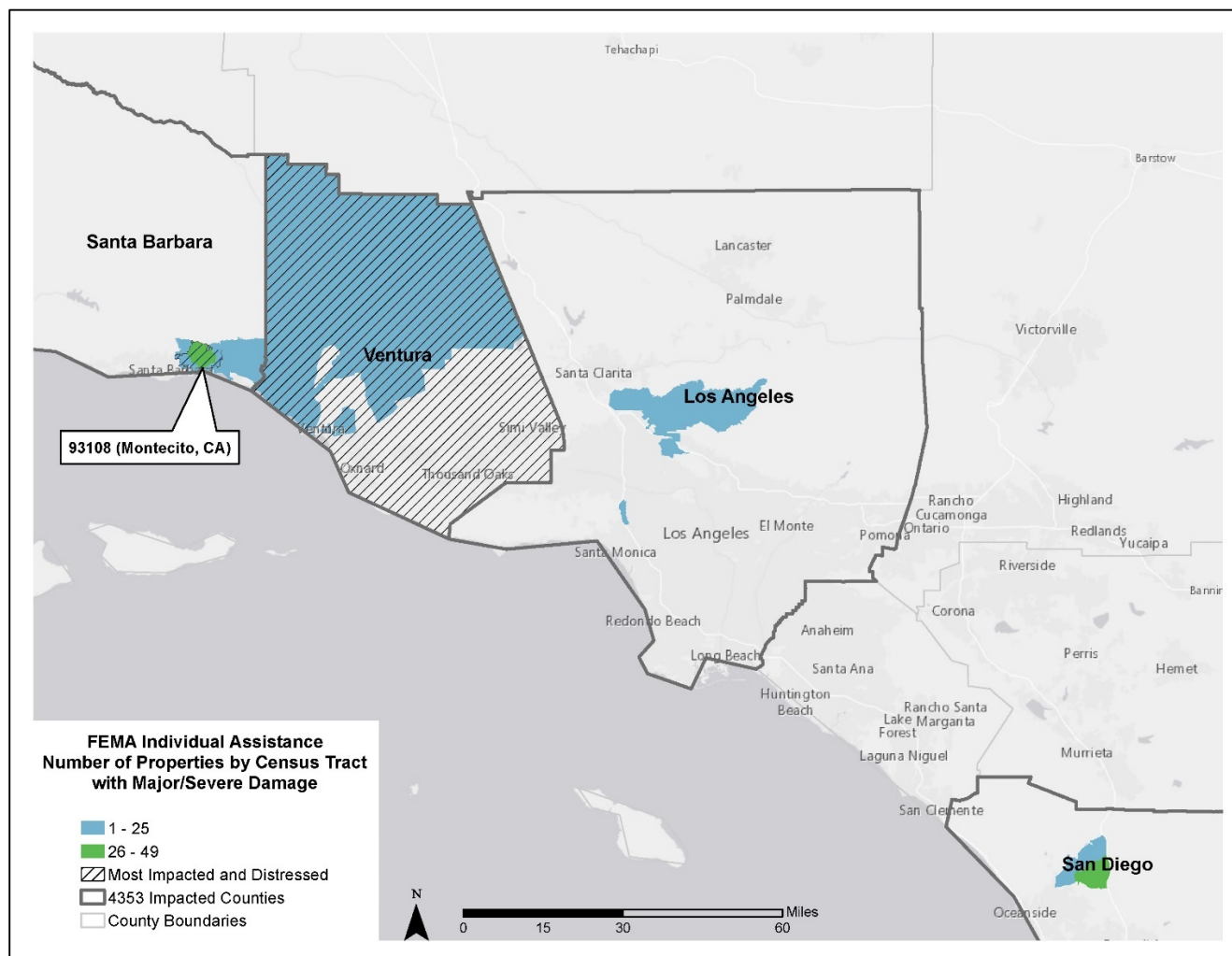
FIGURE 45: FEMA IA MAJOR/SEVERE DAMAGE BY CENSUS TRACT (4344) – ORANGE COUNTY ONLY



Source: FEMA, U.S. Census Bureau, ESRI

The figure below shows the FEMA IA registrations with Major/Severe damage for DR-4353 in Southern California. The green areas show areas with the most FEMA IA registrations with Major/Severe damage. The cross hatched areas show the Most Impacted and Distressed Areas in Southern California, including Ventura County and Montecito in Santa Barbara County.

FIGURE 46: FEMA IA MAJOR/SEVERE DAMAGE BY COUNTY (4353)



Source: FEMA, U.S. Census Bureau, ESRI

The following figure provides an overview of owner occupied household unmet need for Major Low, Major High and Severe damage categories. HUD requires that HCD must spend a minimum of 70 percent of the total CDBG-DR grant to benefit LMI populations. Based on the self-reported FEMA IA data for owner occupied households, 53 percent of owner occupied households are below the 80 percent Area Median Income threshold. Thirty-six percent of owner occupied FEMA IA registrants have a household income over 80 percent Area Median Income. Based on the limited population of voluntary FEMA IA registrants, the owner occupied household unmet need across both disasters is \$78,144,491.

ii. Owner occupied Households

FIGURE 47: FEMA IA OWNER OCCUPIED HOUSEHOLDS WITH UNMET NEEDS

Owner Occupied	Total Major/Severe	% Total Count	Unmet Need	% Total Unmet Need
Under 30% AMI	140	20%	\$16,198,011	21%
30 to 50% AMI	102	15%	\$11,704,718	15%
50 to 80% AMI	123	18%	\$14,409,690	18%
Over 80% AMI	247	36%	\$27,781,138	36%
No Income Reported	74	11%	\$8,050,934	10%
Total	686		\$78,144,491	

Source: FEMA, May 2018

Of the 18,035 owner occupied households that registered for FEMA IA, 1,037 owner occupied households have a registered FVL. Of those 1,037 owner occupied households, 23 percent (239) households did not have insurance. This figure does not reflect the reality on the ground for owner occupied households impacted by DR-4344 and DR-4353.

FIGURE 48: FEMA IA OWNER OCCUPIED HOUSEHOLDS BY DAMAGE CATEGORY – NO INSURANCE

Owner occupied, No Insurance	Major/Severe	% No Insurance
Under 30% AMI	70	29%
30 to 50% AMI	51	21%
50 to 80% AMI	36	15%
Over 80% AMI	49	21%
No Income Reported	33	14%
Total	239	

Source: FEMA, May 2018

iii. Renter occupied Households

Of the 3,046 households registered with FEMA IA that have an FVL, 2,009 (66 percent) are renter occupied households. While owner occupied households face strong obstacles to rebuild, renter occupied households are less likely to have insurance that covers losses during a disaster. Of the renter occupied FEMA IA registrants, 62 percent have a household income under 80 percent Area Median Income. Within the LMI renter occupied households, renters earning under 30 percent Area Median Income represent 28 percent of the total Major-Low, Major-High, and Severe households that registered with FEMA IA. Using the limited sample size of renter occupied households that registered for FEMA IA and have an FVL above \$0 and Major or Severe damage, renter occupied households show \$131,485,904 in total damage.

FIGURE 49: FEMA IA RENTER OCCUPIED UNMET NEED BY INCOME CATEGORY

Income	Total Major/Severe Applicants	% Total	Total Damage	% Total
Under 30% AMI	452	28%	\$33,620,164	26%
30 to 50% AMI	247	16%	\$20,161,466	15%
50 to 80% AMI	291	18%	\$25,279,796	19%
Over 80% AMI	379	24%	\$33,846,198	26%
No Income Reported	223	14%	\$18,578,280	14%
Total	1,592		\$131,485,904	

Source: FEMA, May 2018

The Federal Register Notice allocates \$124 million in CDBG-DR Funds for the State of California. This \$124 million is intended to address the remaining unmet needs of communities most impacted by a disaster. Unmet housing needs are calculated by HUD as “the number of housing units with unmet needs times the estimate cost to repair those units less repair funds already provided by FEMA and SBA.” Using the calculation outlined by the Federal Register Notice and HUD, the following section provides an overview of unmet housing needs using HUD’s unmet needs methodology.

The following figure presents both owner occupied and renter occupied FEMA IA registrants including the count of properties with Major Low, Major High and Severe Verified Losses using the HUD provided damage multipliers. The first figure shows a breakdown of owner occupied, renter occupied, and total households with FVL over \$0. In total, 2,278 households have an FVL over \$0 and fall into Major or Severe damage categories. The figure below shows the HUD Serious Unmet Housing Need Multipliers. Based on FEMA IA applicants, the current damage estimate using HUD Multipliers is \$209,630,395 for both owner-occupied and renter-occupied households across the 4344 and 4353 disaster areas.

iv. Unmet Needs by Owner Occupied and Renters

FIGURE 50: FEMA IA OWNER OCCUPIED DAMAGE BY CATEGORY

Damage Category	Owner		Rental		Total	
FEMA Verified Loss	Count	Total Damage	Count	Total Damage	Count	Total Damage
Major-Low	38	\$1,532,274.00	311	\$12,540,453.00	349	\$14,072,727.00
FEMA Verified Loss	Count	Total Damage	Count	Total Damage	Count	Total Damage
Major-High	59	\$3,292,908.00	590	\$32,929,080.00	649	\$36,221,988.00
Severe	589	\$73,319,309.00	691	\$86,016,371.00	1,280	\$159,335,680.00
Total	686	\$78,144,491.00	1,592	\$131,485,904.00	2,278	\$209,630,395.00

Source: FEMA, May 2018

The following figure presents owner occupied, renter occupied and total households that registered for FEMA IA, have an FVL over \$0, and have remaining unmet needs. In total, 1,941 households include 672 owner occupied households (26 percent) and 1,269 renter occupied households (74 percent) had a unmet housing need, using HUD's methodology, totaling \$185,906,989. The \$124 million of CDBG-DR funds are intended to address unmet recovery needs and address housing needs first.

HCD believes that the number of FEMA IA registrations severely undercounts the damage caused by the 4344 and 4353 disasters and does not represent a full picture of unmet recovery needs from these disasters. However, even when using the narrow approach of households that signed up for FEMA IA, have an FVL over \$0, meet the Major/Severe damage category threshold, and show an unmet recovery need, the \$124 million allocated will not cover the \$185,906,989 in housing unmet recovery need.

FIGURE 51: FEMA IA UNMET NEED BY CATEGORY FOR 4344 AND 4353

Damage Category	Owner		Rental		Total	
FEMA Unmet Need	Count	Unmet Need	Count	Unmet Need	Count	Unmet Need
Major-Low	32	\$1,290,336.00	222	\$8,951,706.00	254	\$10,242,042.00
Major-High	52	\$2,902,224.00	448	\$25,003,776.00	500	\$27,906,000.00
Severe	588	\$73,194,828.00	599	\$74,564,119.00	1,187	\$147,758,947.00
Total	672	\$77,387,388.00	1,269	\$108,519,601.00	1,941	\$185,906,989.00

Source: FEMA, May 2018

d. Small Business Administration Disaster Loans

SBA offers home loans to residents within disaster impacted areas and received a total of 3,971 applicants for homeowner assistance. Of the total applicants, 2,263 were owner occupied (68 percent) and 1,276 were renter occupied (32 percent). However, of the 3,971 applicants, only 2,281 have a verified loss over \$0 (57 percent). Nearly all the properties with a verified loss are owner occupants (2,263), while very few renters have verified losses (16 percent).

While FEMA IA only considers the cost to make a home habitable, SBA inspections account for the full cost to repair the home. HUD notes that while SBA's inspections reflect "full repair costs", and it is presumed to reflect the full cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable."⁴¹ Within the SBA disaster home loan, HCD considers the following as real estate verified losses:

⁴¹ Federal Registrar Notice 83 FR 40314, Appendix A, HUD <https://www.gpo.gov/fdsys/pkg/FR-2018-08-14/pdf/2018-17365.pdf> August 2018

- Real Estate Repair – Verified loss to rehabilitate real estate
- Manufactured Housing – Verified loss to rehabilitate/replace manufactured housing
- Reconstruction – Verified loss to rebuild real estate on current site

The following figure provides a breakdown of the different cost categories available within the SBA disaster home loan data, showing the median cost to rebuild based on verified loss by type of loss.

FIGURE 52: SBA DISASTER HOME LOAN – MEDIAN COST TO REBUILD BY TYPE

Type of Loss	Median Verified Loss
Real Estate Loss ⁴²	\$314,968
Manufactured Housing	\$112,925
Real Estate Repair	\$15,500
Reconstruction	\$329,789

Source: SBA, August 2018

The following figure shows the average real estate loss⁴³ by county impacted by DR-4344 and DR-4353.

FIGURE 53: SBA AVERAGE REAL ESTATE LOSS BY IMPACTED COUNTY

County	Average Real Estate Loss	Count of Real Estate Loss
Butte	\$134,187	25
Lake	\$154,014	85
Los Angeles	\$157,753	87
Mendocino	\$242,176	221
Napa	\$319,230	208
Nevada	\$181,050	17
Orange	\$257,701	25
San Diego	\$221,828	91
Santa Barbara	\$281,938	174
Sonoma	\$359,745	2,634
Ventura	\$377,694	488
Yuba	\$182,945	90
Statewide	\$338,142	4,145

Source: SBA, August 2018

⁴² Real Estate Loss is defined as a median of the following types of rebuild types: Manufactured Housing, Real Estate Repair and Reconstruction.

⁴³ Includes Manufactured Housing, Real Estate Repair and Reconstruction

The following figure shows the total number of applicants for SBA's disaster home loan program by County and provides a comparison of the total number of applicants with real estate losses for all loans.

FIGURE 54: SBA APPLICANTS & REAL ESTATE LOSS BY COUNTY FOR 4344 AND 4353

County	SBA	
	SBA - Total Applicants	Total with Real Estate Losses
Butte	25	10
Lake	85	27
Los Angeles	87	43
Mendocino	221	100
Napa	208	111
Nevada	17	8
Orange	25	5
San Diego	91	62
Santa Barbara	174	78
Sonoma	2,634	1,567
Ventura	488	317
Yuba	90	43
Total	4,145	2,371

Source: SBA, August 2018

However, the figure below provides an additional break down of these figures, showing the total number approved and denied loans by type of loss. Of 3,292 SBA disaster home loan applications, 1,730 loans were denied.

FIGURE 55: SBA LOAN STATUS BY TYPE OF VERIFIED LOSS

Type of Loss	Loan Status	Description	Count
Real Estate Loss	Approved	SBA Applicants with a real estate verified loss	639
	Denied	SBA Applicants without a real estate verified loss (estimate)	624
Reconstruction Loss	Approved	SBA Applicants with verified Reconstruction Losses	823
	Denied		1,030
Manufactured Loss	Approved	SBA Applicants with verified Manufactured Home Loss	100
	Denied		76
Total	Total Approved	Total Verified Loss of FEMA Applicants referred to SBA	1,562
	Total Denied		1,730
	Total		3,292

Source: SBA, August 2018

i. SBA Ratio

HUD has accepted an SBA Ratio as a subset of FEMA IA applicants that have both an SBA-established Verified Loss and a FEMA Real Property FEMA Verified Loss to establish a ratio, including Major and Severe HUD-defined damage categories. This ratio allows HCD to use the SBA inspection, which covers the cost of bringing the home back to pre-disaster condition, while FEMA inspections are based on the amount needed for a homeowner to move back into the home. The following figure shows the number of households that registered with both FEMA IA and SBA and calculates the SBA Ratio. The SBA Ratio helps provide a more consistent damage estimate for properties inspected by both SBA and FEMA IA.

FIGURE 56: SBA RATIO CALCULATION

Damage Category	Number of Registrations (Both FEMA & SBA)	Total SBA Verified Loss	Total Real Property FEMA Verified Loss
Major-High	16	\$2,659,873	\$341,247
Major-Low	12	\$2,228,662	\$121,349
Severe	249	\$72,838,580	\$35,880,682
SBA Ratio			
Average of Severe Properties Only	249	\$292,524	\$144,099
SBA Ratio (SBA FVL/FEMA Real Property FVL)			2.03

Source: SBA, August 2018; FEMA, May 2018

ii. Renter occupied households

In addition to SBA home loans, SBA offers disaster business loans to businesses in impacted areas. The economic impact section provides a more detailed analysis of business impacts and unmet needs. However, the business loans include applicants for real estate related businesses, which provide insight into impacts to rental properties and landlords. To understand businesses that rent properties, HCD examines the following North American Industry Classification System categories:⁴⁴

- Lessors of Residential Buildings and Dwellings (NAICS Code 531110).
- Lessors of Other Real Estate Property - includes manufactured, renting as industry (NAICS Code 531190).

Using these categories, the following figure shows that a total of 194 businesses applied for SBA business loans to assist with recovery from the DR 4344 and 4353 disasters. A majority of these applications (175) are for lessors of residential buildings and dwellings.

⁴⁴ US Census Bureau, North American Industry Classification System, <https://www.census.gov/cgi-bin/sssd/naics/naicsrch?input=planning&search=2017+NAICS+Search&search=2017>

FIGURE 57: SBA COMMERCIAL LOAN – REAL ESTATE BY NAICS CODE

SBA Application Type	Disaster		
	4344	4353	Total
Lessors of Residential Buildings and Dwellings (NAICS Code 531110)	143	32	175
Lessors of Other Real Estate Property - includes manufactured, renting as industry (NAICS Code 531190)	14	5	19
Total	157	37	194

Source: SBA, August 2018

e. California Department of Forestry and Fire Protection Damage Assessment Data

CAL FIRE conducts a parcel survey of properties impacted by fires and natural disasters using ArcGIS and ArcCollector. The Damage Inspection Worksheet includes property addresses, the incident (disaster) name, and selected information about the damaged property. For DR-4344 and DR-4353, CAL FIRE surveyed a total of 12,550 properties. This on-the-ground analysis has its limitations: they are not conducted by building inspectors, the assessment is done immediately post-disaster, and inspectors are only able to survey properties that are accessible. Despite these factors, the data presents a clearer picture of damage than either SBA or FEMA IA. CAL FIRE damage assessments are conducted by inspectors on the ground post-disaster, while SBA and FEMA IA are voluntary application processes. The figure below breaks down the structures surveyed.

FIGURE 58: CAL FIRE DAMAGE BY PROPERTY CATEGORY

Structure Type	Inspected Properties	% of Inspected Properties
Commercial	303	2%
Mobilehome	774	6%
Multifamily	243	2%
Other	41	0%
Outbuilding	3,243	26%
Single Family	7,946	63%
Total	12,550	

Source: CAL FIRE Damage Assessment, August 2018

For purposes of the housing unmet needs analysis, HCD only focuses on structures categorized as Mobilehomes, Multifamily, or Single Family. Combined, these residential categories total 8,963 residential structures. The following table provides an additional breakdown of these residential properties, showing the number of residential structures by damage category. The number of destroyed properties reflects the fire severity, with a total of 7,503 destroyed properties statewide (84 percent of residential properties surveyed).

FIGURE 59: CAL FIRE RESIDENTIAL STRUCTURE DAMAGE SURVEY BY COUNTY

County	1-9%	10-25%	26-50%	51-75%	Destroyed	No Access	No Damage	Total
Butte	0	2	0	0	36	0	0	38
Lake	5	0	0	0	131	0	0	136
Los Angeles	32	20	7	9	66	0	68	202
Mendocino	12	3	1	0	313	0	0	329
Napa	61	20	4	4	622	0	287	998
Nevada	0	3	0	0	29	0	0	32
San Diego	29	21	2	2	114	0	0	168
Santa Barbara	127	108	1	97	158	2	2	495
Sonoma	218	56	19	11	5,143	0	68	5,515
Ventura	95	52	25	14	748	0	2	936
Yuba	0	0	1	0	143	0	0	144
Total	579	285	60	137	7,503	2	427	8,993

Source: CAL FIRE Damage Assessment, August 2018

f. Homeowner Insurance

HCD requested address level information about claims and payouts from CDI, but as of the date of this publication the payout data has not been available. However, CDI provided zip-code level data received from private insurance companies immediately post disaster for DR-4344 and DR-4353. This data is limited to claims in or around the disaster incident periods, not for a broad time period. The Department of Insurance defines Residential Personal Property as Homeowners; Condominium Unit Owners; Mobilehome; Tenants/Renters; Dwelling Fire and Allied Lines; and Lender/Force-Placed and Real Estate Owned (REO).

The following figure shows the total number of residential insurance claims by county and the total number of residential claims that resulted in a total loss. While this does not show the full picture, nor provide payout data needed for the unmet needs calculation, it does provide information about the level of damage and number of residential households with insurance in the disaster impacted areas.

FIGURE 60: RESIDENTIAL INSURANCE CLAIMS RESULTING FROM 4344 AND 4353 DISASTERS

County	Insurance - Total Number of Residential Claims	Total Number of Residential Claims Resulting in a Total Loss
Butte	59	16
Lake	256	97
Los Angeles	3,053	63
Mendocino	546	200
Napa	2,545	472
Nevada	82	32

County	Insurance - Total Number of Residential Claims	Total Number of Residential Claims Resulting in a Total Loss
Orange	461	29
San Diego	1,152	70
Santa Barbara	2,925	42
Sonoma	14,779	4,963
Ventura	4,848	627
Yuba	390	107
Total	31,096	6,718

Source: CAL FIRE Damage Assessment, August 2018

The figure below provides additional detail on the number of claims, total losses, and direct incurred losses for residential properties who filed insurance claims related to DR-4344 and DR-4353. The Average Loss calculation divides the Direct Incurred Loss column by the Total Number of Claims. Across the impacted counties, the total Average Loss is \$335,427.

FIGURE 61: RESIDENTIAL INSURANCE CLAIMS BY COUNTY

County	Total Number of Claims	Number of Claims Resulting in Total Loss	Direct Incurred Losses	Average Loss
Butte	59	16	\$5,399,325	\$91,514
Lake	256	97	\$48,363,120	\$188,918
Los Angeles	3,053	63	\$115,774,721	\$37,922
Mendocino	546	200	\$142,895,509	\$261,713
Napa	2,545	472	\$1,206,434,647	\$474,041
Nevada	82	32	\$18,851,507	\$229,896
Orange	461	29	\$75,813,493	\$164,454
San Diego	1,152	70	\$90,756,438	\$78,782
Santa Barbara	2,925	42	\$253,033,508	\$86,507
Sonoma	14,779	4,963	\$6,987,811,497	\$472,820
Ventura	4,848	627	\$1,416,975,278	\$292,280
Yuba	390	107	\$68,330,185	\$175,206
Total	31,096	6,718	\$10,430,439,228	\$335,427

Source: CAL FIRE Damage Assessment, August 2018

g. Summary of Impacts

The figure below compiles each data source described above to compare the damages for each impacted county. This demonstrates that no data source accurately captures the population impacted by these disasters. Due to these inconsistencies, HCD is proposing a program survey period prior to launching its Owner Occupied Rehabilitation and Reconstruction Program to capture an accurate portrait of owner occupied and rental-occupied households with unmet housing recovery needs.

FIGURE 62: IMPACT SUMMARY BY DATA SOURCE

County	CA Department of Insurance		FEMA Individual Assistance		CAL FIRE		SBA	
	Number of Claims Resulting in Total Loss	% Total Claims	FEMA Verified Loss	% of Total Claims	Residential - Damaged Properties	% of Total Damaged Properties	Total with Real Estate Losses	% of Total Real Estate Losses
Butte	16	0%	35	1%	38	0%	10	0%
Lake	97	1%	76	2%	136	2%	27	1%
Los Angeles	63	1%	71	2%	134	2%	43	2%
Mendocino	200	3%	225	7%	329	4%	100	4%
Napa	472	7%	145	5%	711	8%	111	5%
Nevada	32	0%	25	1%	32	0%	8	0%
Orange	29	0%	2	0%	0	0%	5	0%
San Diego	70	1%	97	3%	168	2%	62	3%
Santa Barbara	42	1%	314	10%	491	6%	78	3%
Sonoma	4,963	74%	1,590	52%	5,447	64%	1,567	66%
Ventura	627	9%	349	11%	934	11%	317	13%
Yuba	107	2%	117	4%	144	2%	43	2%
Total	6,718		3,046		8,564		2,371	

Source: CAL FIRE Damage Assessment, August 2018; FEMA, May 2018; SBA, August 2018; CDI, May 2018

h. Alternative Methodology

The previous section provided a description of housing impacts from DR-4344 and DR-4353 using HUD's approved methodology. However, as noted, the limited number of FEMA IA registrations with verified losses and the over emphasis on homeowners of the SBA data requires an alternative methodology for capturing an accurate portrait of unmet recovery needs for housing impacted by the disasters.

i. *Basis for Number of Homes Destroyed*

FEMA IA data shows that 1,177 owner occupied homes fall into the Major or Severe damage categories defined by HUD's most recent federal register notice. Comparatively, limited private homeowner insurance data provided by the state's Insurance Commissioner shows 6,718 claims that resulted from total loss. Lastly, CAL FIRE data shows 7,474 homes as "Destroyed." There is an 11 percent difference between homeowner insurance total loss claims and CAL FIRE "Destroyed" numbers. Given this difference, HCD assumes that both the CA Insurance Commissioner data and CAL FIRE data provide a more accurate picture of destroyed homes than FEMA IA data. FEMA IA is dependent upon the homeowner to apply for assistance. Due to many homeowners not applying for FEMA, it appears that FEMA data underrepresents the extent of damage.

CAL FIRE numbers are based upon physical counts by "boots on the ground." This section outlines a methodology using CAL FIRE numbers as the basis for the total number of destroyed homes. In addition to homes categorized as destroyed, CAL FIRE data shows an additional 137 damaged residential structures in the 51 to 75 percent range. HCD assumes that this level of damage would lead to a total reconstruction of the home. Using the CAL FIRE residential damage survey as the basis of analysis, a total of 7,611 homes were destroyed and need reconstruction as a basis.

ii. *Basis for Cost of Reconstruction*

While the actual cost of reconstruction cannot be determined until a home is assessed under HCD's Owner Occupied Rehabilitation and Reconstruction Program and a scope of work is established, this section outlines HCD's approach in determining an alternative average cost of reconstruction that reflects the impacts of DR-4344 and DR-4353.

- **Small Business Administration Ratio** –The FEMA Real Property Verified Loss for homes with Severe damage is \$145,287. Multiplying this by the SBA Ratio for Severe homes, 2.03, shows an average cost of reconstruction as \$294,933.
- **Small Business Administration, Average Real Property Verified Loss for Severe Homes** - Looking at SBA applications alone, the average Real Property Verified Loss for Severe homes with SBA inspections is \$310,133.
- **2012-2016 American Community Survey (ACS) Median Home Value** – HCD compared the number of homes using ACS data to the number of CAL FIRE homes categorized as Destroyed by impacted County. Assuming that two thirds of the home value is for the residential structure, the weighted average of home values in impacted counties is \$298,352.

- **CA Insurance Commissioner Data** – HCD assumes that the average residential structure claim is a proxy for reconstruction cost, putting the reconstruction cost at \$325,168.

Based on this analysis, HCD will use a median value of \$300,000 for the basis of average cost of reconstruction.

iii. Calculating Total Cost of Reconstruction

Using the number of destroyed residential properties surveyed by CAL FIRE (7,474), multiplied by the average cost of reconstruction (\$300,000), the total cost of owner occupied reconstruction from DR-4344 and DR-4353 is **\$2,283,300,000**.

FEMA awards and SBA loans provide some relief towards this total, and thus parts of these awards are subtracted as Duplication of Benefits. FEMA structural awards total \$20,699,188. SBA awards for structural damage (amount for manufactured homes and reconstruction) amount to \$561,591,003. It should be noted that this does discount applicants who were offered a loan but declined the loan. Congress approved substantial changes under HR 302, enacted as PL 115-254 on October 5, 2018, regarding how SBA loans are calculated as Duplication of Benefits. The methodology presented is a conservative approach. Unmet needs will be recalculated after HUD provides proper guidance based upon the changes in PL 115-254.

Thus, unmet need for reconstruction after subtracting out FEMA and SBA awards and loans is potentially **\$1,701,009,809**. Note that this does not subtract out for pay out of claims by private homeowner insurance. The data set provided does not provide sufficient enough details to determine what that amount may be, as only 22 percent of all claims were listed as “Resulting in Total Loss”. The figure below shows the Alternative Methodology calculation:

FIGURE 63: ALTERNATIVE OWNER OCCUPIED CALCULATION

<i>Total Cost of Reconstruction (excluding housing rehabilitation) - CAL FIRE</i>	
# of residential structures in CAL FIRE data listed as "Destroyed"	7,474
# of residential structures in CAL FIRE data listed as "51-75%" damaged ⁴⁵	137
Total # of Residential Structure with Severe Damage or Destroyed	7,611
Average basis of reconstruction cost (see Reconstruction Cost tab)	\$300,000
Total Severe Damaged/Destroyed Properties x Avg Reconstruction Cost	\$2,283,300,000
<i>Subtraction for Duplication of Benefits</i>	
Private Insurance towards reconstruction	\$0
FEMA Awards for Structural Damage (IHP)	\$20,699,188
SBA Awards for Structural Damage ^{46**}	\$561,591,003
Total Subtraction for Duplication of Benefits	\$582,290,191
Single Family Reconstruction Unmet Need	\$1,701,009,809

⁴⁵ HCD assumes that housing policies will follow standard practice for reconstruction at 50%+ damage to home value.

⁴⁶ Total of SBA Loans for Manufactured and Reconstruction Awards minus applicants that declined the loan

Source: CAL FIRE Damage Assessment, August 2018; FEMA, May 2018; SBA, August 2018; CDI, May 2018

i. Infrastructure Impact

DR-4344 and DR-4353 both caused extensive impact to California infrastructure. The disasters resulted in damage to roads, signage, bridges, schools, landfills and sanitation facilities, public parks, and other infrastructure systems. The most widespread damage was to roads, which were impacted both as a direct result of fires and by heavy emergency vehicle use and debris removal during the immediate recovery period. Los Angeles County, for example, sustained substantial damage to private roads. They noted that in order for the county to provide maintenance for the roads, they would need to bring the roads to county code standards, increasing the cost and amount of work required. The County estimated this cost at over \$4 million, which is not reflected in FEMA Public Assistance cost data as Los Angeles County was not eligible for Public Assistance under FEMA's DR-4353 Disaster Declaration. The January 9th debris flow in Santa Barbara County affected much of the county and devastated the Montecito area, altering topography and impacting 50 miles of county roads, 200 culverts, and 20 bridges.⁴⁷ Many local jurisdictions reported that they expended resources from agencies not typically associated with emergency measures to address local needs, draining resources from regular operations.

While the rebuilding and rehabilitation of damaged infrastructure is critical to recovery, housing is the priority of this Action Plan, and infrastructure damages will likely not be fully addressed by these funds. The forthcoming \$88 million in mitigation funding is expected to further assist in infrastructure recovery.

i. FEMA Public Assistance

The FEMA Public Assistance (PA) program is designed to provide immediate assistance to the impacted jurisdictions for emergency work (under FEMA Sections 403 and 407) and permanent work (Sections 406 and 428) on infrastructure and community facilities. Data from these programs was used to establish the impact of the disasters on infrastructure and identify the unmet need. Although there is a clear need for infrastructure repair and improvements, this Action Plan focuses on unmet recovery needs with prioritization given to housing recovery and housing related infrastructure projects. HCD's proposed infrastructure program is discussed in more detail in the Proposed Disaster Recovery Program section. One reason for this prioritization is that although total project costs have been calculated, project eligibility has not been determined for all project worksheets submitted. Therefore, the local share figures are preliminary and likely to increase substantially moving forward. Furthermore, some impacted communities have not submitted disaster-related infrastructure projects for FEMA PA funding.

The following chart provides a breakdown of the approved FEMA cost share by disaster.

⁴⁷ Santa Barbara County, "Update on Thomas Fire and 1/9 Debris Flow Community Disaster Recovery Efforts" Memorandum to County Board of Supervisors, March 13, 2018.

Figure 64: FEMA Cost Share by Disaster

Disaster	4344		4353	
	Federal	State/Local	Federal	State/Local
Category A	90%	10%	90%	10%
Category B	100%	0%	100%	0%
Category C	90%	10%	75%	25%
Category D	90%	10%	75%	25%
Category E	90%	10%	75%	25%
Category F	90%	10%	75%	25%
Category G	90%	10%	75%	25%

Source: FEMA, August 2018

FEMA PA projects fall under the following categories:

- Emergency Protective Work
 - Category A – Debris Removal
 - Category B – Emergency Protective Measures
- Permanent Work
 - Category C – Roads and Bridges
 - Category D – Water Control Facilities
 - Category E – Public Buildings and Contents
 - Category F – Public Utilities
 - Category G – Parks, Recreational, and Other Facilities

As of August 2018, \$74.2 million in permanent work FEMA PA project costs had been identified and submitted for DR-4344. This includes a state share of \$5.6 million and a local share of \$1.9 million. The communities in DR-4353 identified \$12.5 million in permanent work FEMA PA project costs, including a local share of \$781,956. The total state and local share for DR-4344 and DR-4353 is \$10.5 million.

FIGURE 65: LOCAL SHARE UNMET NEEDS FOR FEMA PUBLIC ASSISTANCE 4344 ONLY, AUGUST 2018

Category	Projects	Total Cost	State Share	Local Share
A	22	\$182,950,620	\$18,295,062	\$0
B	101	\$140,127,539	\$0	\$0
C	32	\$14,253,485	\$1,069,011	\$356,337
D	4	\$348,823	\$26,162	\$8,721
E	53	\$33,953,185	\$2,546,489	\$848,830
F	30	\$11,306,594	\$847,995	\$282,665
G	21	\$14,352,143	\$1,076,411	\$358,804
Total	263	\$397,292,389	\$23,861,129	\$1,855,356

Source: FEMA, August 2018

FIGURE 66: LOCAL SHARE UNMET NEEDS FOR FEMA PUBLIC ASSISTANCE 4353 ONLY, AUGUST 2018

Category	Projects	Total Cost	State Share	Local Share
A	29	\$58,290,173	\$4,371,763	\$1,457,254
B	67	\$124,103,447	\$0	\$0
C	10	\$3,247,422	\$608,892	\$202,964
D	7	\$1,509,200	\$282,975	\$94,325
E	25	\$2,211,264	\$414,612	\$138,204
F	22	\$4,611,521	\$864,660	\$288,220
G	13	\$931,892	\$174,730	\$58,243
Total	173	\$194,904,918	\$6,717,631	\$2,239,210

Source: FEMA, August 2018

FIGURE 67: LOCAL SHARE UNMET NEEDS FOR FEMA PUBLIC ASSISTANCE 4344 AND 4353, AUGUST 2018

Category	Total Projects	State & Local Share - Unmet Need
A	51	\$24,124,079
B	168	\$0
C	42	\$2,237,204
D	11	\$412,182
E	78	\$3,948,135
F	52	\$2,283,540
G	34	\$1,668,187
Total	436	\$34,673,327

Source: CalOES

These are preliminary calculations based on current best available data available in FEMA's system, and HCD expects the unmet needs to increase as additional projects are approved by FEMA. The state will work with government agencies, nonprofit organizations, and other entities eligible for FEMA PA to gather additional information related to local match. The running estimate of unmet needs will be updated as projects are reviewed and approved through the FEMA project worksheet process.

j. Economic Impact

While California's economy continues to perform and maintain its strength, the disasters had a substantial impact on local businesses, employees, and key industries. The agricultural and tourism industries were impacted by the disasters. These industries are still recovering from the events of 2017 and the wildfires burning in the summer of 2018. The perception that areas are unsafe or the air quality is poor will continue to impact tourism; a key economic driver in the state. The effects on the agricultural industry are also ongoing due to the destructive nature of fire and the interconnection between agriculture and tourism in heavily impacted areas. For example,

wineries and Sonoma and Napa County are still working to demonstrate that they are open for business and ready to serve clientele.

The following section provides a high level analysis of the economic impact caused by the wildfires and mudflows in 2017. This Action Plan primarily addresses the unmet housing and infrastructure recovery needs and does not address the economic recovery need. If additional recovery funds become available, programs may be created to assist in the economic recovery of impacted areas.

California's economy continues to grow, placing more price pressure on the existing housing stock. In Butte County, the repairs to the Oroville Dam increases the difficulty of finding skilled workers for repairs or home construction. In other areas, such as Sonoma County where they serve as a supplier of affordable homes for Napa and Marin, the statistics do not tell the whole story.

i. Employment and Business Establishments

California's economy leading up to the disasters in 2017 was thriving according to indicators provided by the California Employment Development Department. Employment increased by 1.9 percent from 2016 to 2017 reaching 18.4 million people. During the same period the unemployment rate decreased from 5.5 percent in 2016 to 4.8 percent in 2017.

DR-4344 & DR-4353

All counties within DR-4344 and DR-4353 experienced job growth, a reduction in unemployment rate and increases in number of business establishments and annual payroll between 2016 and 2017.

FIGURE 68: DR-4344 2016-2017 EMPLOYMENT

County	Employment		Unemployment Rate		Number of Business Establishments	
	2017	2016	2017	2016	2017	2016
Butte County	97,100	95,200	5.7	6.6	9,025	4,627
Lake County	28,010	27,200	5.7	6.7	2,339	1,085
Mendocino County	38,220	37,650	4.5	5.3	4,192	2,439
Napa County	71,200	70,000	3.7	4.3	7,064	4,216
Nevada County	46,670	46,000	4.1	4.8	5,262	3,013
Orange County	1,562,600	1,537,700	3.5	4.0	135,374	94,703
Sonoma County	254,000	249,800	3.4	4.0	22,032	13,887
Yuba County	26,400	25,700	7.5	8.6	1,580	802

Sources: U.S. Census Bureau, 2016 County Business Patterns; 2016 Annual Payroll, Number of Business Establishments; California Employment Development Department:

FIGURE 69: DR-4353 2016-2017 EMPLOYMENT

County	Employment		Unemployment Rate		Number of Business Establishments	
	2017	2016	2017	2016	2017	2016
Los Angeles County	4,883,600	4,789,500	4.7	5.3	358,738	269,489
San Diego County	1,521,500	1,496,200	4.0	4.7	116,070	83,146
Santa Barbara County	207,300	205,200	4.5	5.1	17,269	11,640
Ventura County	407,100	404,400	4.5	5.2	29,612	20,909

Sources:

U.S. Census Bureau, 2016 County Business Patterns: 2016 Annual Payroll, Number of Business Establishments;
California Employment Development Department

Most Impacted and Distressed

Most Impacted and Distressed areas saw economic growth between 2016 and 2017.

FIGURE 70: MOST IMPACTED AND DISTRESSED AREA 2016-2017 EMPLOYMENT

	Employment		Unemployment Rate		Number of Business Establishments	
	2017	2016	2017	2016	2017	2016
County						
Sonoma County	254,000	249,800	3.4	4.0	22,032	13,887
Ventura County	407,100	404,400	4.5	5.2	29,612	20,909
Zip Code						
95470	966	785	9.3		135	89
95901	11,696	6,664	9.2		986	477
94558	30,653	24,785	3.8		2,671	1,712
95422	3,313	2,084	12.8		395	188
93108	6,346	6,339	3.7		665	587

Sources:

1. State of California Employment Development Department: 2016 Employment, Unemployment Rate
2. U.S. Census Bureau, 2016 ZIP Code Business Patterns
3. ESRI Total Residential Population forecasts for 2017: Unemployment Rate, Establishments
4. U.S. Census Bureau, 2016 County Business Patterns: 2016 Establishments and Payroll

Although California's economy is healthy overall, nearly all impacted jurisdictions reported economic loss for workers and businesses as a result of the 2017 fires and mudslides. The City of Napa Housing Division reported that low income workers in the wine and hospitality industries were hardest hit by the loss of wages during the fires. These residents are less likely to have financial reserves and other resources to draw from during an emergency. Napa County's emergency call center conducted a survey of 489 impacted households which reported 63 percent of respondents lost wages as a result of the fires. Sonoma County reported that 4,751 disaster-related unemployment claims were filed in October 2017 alone.⁴⁸ HCD and Los Angeles County

⁴⁸ Sonoma Human Services, "FireBiz Summary," June 2018.

distributed a survey to households in the impacted region, more than half of whom reported that they lost income as a result of the fires.

The University of California at Santa Barbara conducted a survey of 293 businesses in the Santa Barbara area. Respondents reported laying off 213 employees collectively and 60 percent of all respondents reported having to close for at least some period as a result of the fires and mudslides.⁴⁹ The Small Business Development Center for Santa Barbara and Ventura Counties estimated an impact on 17,000 jobs in Ventura County. Additionally, the Coast Village Association of Montecito, in Santa Barbara County, estimated \$15 million in combined revenue loss for the 28-day business closure due to fire and mudflow.⁵⁰

Sonoma Human Services identified 1,401 businesses that had been affected by fires in Sonoma County, which collectively employed 9,311 persons. The Sonoma County Economic Development Board conducted a survey of 194 businesses in January 2018, 84 percent of which reported suffering direct impact from the fires.⁵¹

Many impacted jurisdictions reported significant losses in sales, property, and occupancy taxes as a result of business closures and tourism decrease. The City of Santa Rosa anticipated a loss of over \$5 million in annual taxes.⁵² Napa County anticipated over \$3 million in annual tax revenue loss.⁵³ Montecito saw a 92 percent decrease in occupancy tax from January 2017 to January 2018.⁵⁴ These examples serve to illustrate economic loss on a local level that was, and continues to be, devastating for business owners and workers in impacted communities.

ii. Disaster Unemployment Assistance

Disaster Unemployment Assistance is one key indicator of employment impacts after a disaster. The following provides an analysis of disaster unemployment data for the impacted counties. The Disaster Unemployment Assistance program (DUA), administered by the California Employment Development Department (EDD) on behalf of FEMA, provides temporary unemployment benefits to jobless workers and self-employed people whose jobs or work hour losses are a direct result of the wildfires.

In California, the process for filing DUA claims is the same as for regular claims. When applications are received, EDD first reviews the application to determine if the individuals qualify for regular state unemployment insurance. If individuals qualify for regular state benefits, they move on through that process. If individuals do not qualify for regular unemployment insurance or disability insurance, then EDD will determine eligibility for disaster unemployment benefits.

⁴⁹ UCSB Economic Forecast Project. <http://www.efp.ucsb.edu/home>

⁵⁰ Small Business Development Center for Santa Barbara and Ventura, "[Thomas Fire Disaster Response and Business Recovery Summary](#)."

⁵¹ Sonoma County Economic Development Board, "Business Survey Results," January 2018.

⁵² The Press Democrat, "Sonoma County facing \$21 million budget shortfall due to Northern California fires" <https://www.pressdemocrat.com/news/7751921-181/sonoma-county-facing-21-million> December 2017.

⁵³ Napa Valley Register, "October wildfires destroyed \$730 million in Napa County assessed property value," https://napavalleyregister.com/news/local/october-wildfires-destroyed-million-in-napa-county-assessed-property-value/article_d80f2af0-d463-5c09-8fd4-64be028f6a6b.html December 2017.

⁵⁴ Visit Santa Barbara, 2017-2018 Q3 Report.

Therefore, DUA claims are a subset of all applicants and do not account for the full scope of individuals who filed for unemployment assistance due to the disasters.

The deadline for applications was December 18, 2017. As of July 31, 2018, 9,904 claims were filed for regular unemployment assistance and 1,067 DUA claims were filed. Of the DUA claims, 467 people were approved for assistance and received at least one payment, totaling \$1.3 million.

Sonoma County had the most DUA claims filed and received 80 percent of authorized DUA funds Within DR-4344. Ventura County received the most Regular Unemployment Claims, although Santa Barbara County filed the most DUA claims and received almost half (47 percent) of authorized DUA funds in DR-4353. The following figure provides a breakdown of unemployment claims by county.

FIGURE 71: DISASTER UNEMPLOYMENT CLAIMS IN IMPACTED AREAS

County	Regular UI Claim Applications	DUA Claims Filed	DUA Claimants who Certified at least once	DUA Claimants who Certified at Least Once, and Received at Least One Payment	Total DUA Benefits Authorized
DR-4344	7,251	661	343	251	\$669,878
Butte	10	0	0	0	\$0
Lake	122	13	12	8	\$19,526
Mendocino	111	22	11	5	\$8,089
Napa	2,011	119	59	42	\$8,938
Nevada	5	1	1	1	\$3,059
Orange	20	2	0	0	\$0
Sonoma	4,943	501	257	193	\$534,660
Yuba	29	3	3	2	\$5,606
DR-4353	2,653	406	253	216	\$629,694
Los Angeles	41	7	5	4	\$13,687
San Diego	20	5	4	4	\$16,378
Santa Barbara	724	181	113	97	\$300,031
Ventura	1,102	133	78	70	\$166,233
Los Angeles, Santa Barbara, Ventura*	766	80	53	41	\$133,365
DR-4344 and DR-4353 Total	9,904	1,067	596	467	\$1,299,572

Source: California Employment Development Department, August 2018 *Claims made after flooding and mudflows

iii. Commercial Property Insurance

Commercial property insurance is another indicator to establish the impact and need in communities affected by a disaster. The CDI reported that insurance companies paid approximately \$1.5 billion in direct losses for commercial property owners due the events associated with DR-4344 and DR-4353 as of May 2018. A total of 4,991 claims were filed, including 343 total loss claims.

DR-4344

More than half (54 percent) of statewide commercial property claims originated within DR-4344. Sonoma County accounted for 66 percent of all claims. The majority of claims resulting in total loss were in Sonoma and Napa Counties, which also accounted for the majority of the incurred direct loss. Collectively, Sonoma and Napa Counties made up \$1 billion of the total \$1.1 billion in direct incurred losses within DR-4344. Nevada County had the least commercial damage, incurring just \$125,500 in reported direct losses.

DR-4353

Impacts to commercial property within DR-4353 were less severe compared to DR-4344. Approximately 22 percent of the total claims filed within the state originated in DR-4353. Ventura County comprised most of these claims, filing 651 out of the total 1,105 claims filed within DR-4353. Total loss claims and payments were concentrated in Ventura County as well; 52 of the 78 total loss claims originated in Ventura County and \$234 million out of \$283 million, was paid out to commercial property owners. The total amount of direct incurred losses in DR-4344, comprised 18 percent of California's direct incurred losses.

Most Impacted and Distressed Areas

Claims filed within the Most Impacted and Distressed areas represented 65 percent of total claims filed statewide. Total loss claims were 78 percent of total loss claims in the state and direct incurred losses were 85 percent of direct losses statewide. Zip code 94558, in Napa County incurred significantly greater loss than all other zip codes that comprise the Most Impacted and Distressed areas, incurring \$191 million in direct losses. This amount was 61 percent greater than the second highest amount of direct losses, which was in zip code 93108, in Santa Barbara County (approximately \$74 million). Zip code 95422, in Lake County incurred the least loss (\$237,753) of all Most Impacted and Distressed areas zip codes.

FIGURE 72: COMMERCIAL PROPERTY INSURANCE CLAIMS

	Commercial Property		
	Total Number of Claims	Number of Claims resulting in Total Loss	Direct Incurred Losses
Total	4,991	343	\$1,553,602,443
Federally Declared Disaster Areas			
DR-4344	2,730	231	\$1,102,785,460
Butte County	16	4	\$3,321,299
Lake County	9	0	\$243,453
Mendocino County	68	5	\$21,454,292
Napa County	776	63	\$277,424,959
Nevada County	4	0	\$125,500
Orange County	18	3	\$4,826,805
Sonoma County	1,806	152	\$792,618,229
Yuba County	33	4	\$2,883,923
DR-4353	1,105	78	\$282,494,781
Los Angeles County	93	7	\$15,969,330
San Diego County	56	4	\$5,560,041
Santa Barbara County	305	15	\$26,650,957
Ventura County	651	52	\$234,314,453
DR-4344 and DR-4353 Total	3,835	309	\$1,385,280,241
Most Impacted and Distressed Areas			
County			
Sonoma County	1,806	152	\$792,618,229
Ventura County	651	52	\$234,314,453
Zip Code			
95470	51	5	\$20,615,112
95901	30	4	\$2,714,615
94558	352	39	\$191,123,732
95422	6	0	\$237,753
93108	348	14	\$73,769,222
Most Impacted and Distressed Total	3,244	266	\$1,315,393,116

Source: California Department of Insurance, May 2018

iv. Agricultural Impacts

California's robust agricultural economy is a major economic driver throughout the state and the country. The agricultural economy in California out earns all other states in farm income. In 2017, California's farms and ranches received over \$50 billion in cash receipts for their output; an increase of almost 6 percent over 2016.⁵⁵ California produces over 400 commodities. Over one third of the vegetables and two thirds of the fruit crops in the United States are grown in California. In the impacted areas, Ventura's strawberry crop is one of the state's top producing commodities.

⁵⁵ Based on USDA ERS figures published August 30, 2018 from California Department of Food and Agriculture, California Agricultural Production Statistics, www.cdfa.ca.gov/Statistics.

Farmers in Mendocino, Napa, Sonoma, Lake and Santa Barbara grow grapes, another of the state's top crops. Ranchers of cattle and calves produce \$2.53 billion in receipts annually, and many graze animals in fire prone areas.

Based on data received to date, the estimated loss of crops and livestock totaled an estimated \$259 million due to the October and December 2017 wildfires. HCD is continuing to work with local counties and their partners to gain a clearer understanding of impacts and unmet needs across California's agriculture sector.

FIGURE 73: DR-4344 AGRICULTURAL LOSSES

County	Impact	County Total Estimated Cost	Data Source
Butte County	Rangeland	N/A	N/A
	Crops		
Lake County	Rangeland	\$14,000	Lake County Agricultural Commissioner & Sealer
Mendocino County	Wine Grapes	\$646,941	California County Agricultural Commissioners' Disaster Report
	Rangeland		
	Cattle		
Napa County	Wine Grapes	\$20,917,634	2017 Fire Damage Assessment Record Tracker
	Vineyard		
	Pasture Land		
	Animal		
	Other		
Nevada County	Beehives	\$4,500	Nevada County Department of Agriculture, Weights & Measures
Orange County	No Reported Loss	N/A	N/A
Sonoma County	Crops	\$20,917,633	California Department of Forestry and Fire Protection (CAL FIRE)
	Livestock & Poultry		
	Other		
Yuba County	N/A	N/A	-
Estimated Total		\$42,500,708	

Source: HCD interviews with City/County Government, June-July 2018.

FIGURE 74: DR-4353 AGRICULTURAL LOSSES

County	Impact	County Total Estimated Cost	Data Source
Los Angeles County	No Impact	NA	Los Angeles County
San Diego County	No Reported Loss	N/A	N/A
Santa Barbara County	Crops	\$16,875,218	California County Agricultural Commissioner Disaster Report
	Livestock & Poultry		
	Farm Facilities		
Ventura County	Crops	\$200,062,156	California County Agricultural Commissioner Disaster Report
	Livestock & Poultry		
	Farm Facilities		
Estimated Total		\$216,937,374	

Source: Source: HCD interviews with City/County Government, June-July 2018.

v. Tourism

The wildfires and subsequent mudslides had the greatest impact on counties that are known for major tourism destinations, including Sonoma, Napa, Ventura, and Santa Barbara Counties. Overall, California's tourism industry generates significant revenue for businesses, produces tax revenue for state and local government, and directly supports over 1 million jobs. The industry comprises 4.8 percent of the state's \$2.7 trillion economy. In 2016, 20.9 percent (7.8 million) of overseas visitors to the United States indicated California as a destination on their U.S. trip. Total direct travel spending was \$132.4 billion in 2017, a 3 percent increase in real (inflation adjusted) dollars.⁵⁶

Employment

The tourism industry employs over 27,000 people with an annual payroll of \$2.1 billion throughout California.⁵⁷ Within DR-4344, 5,296 people were employed in the tourism industry in 2016, generating \$394,843,000. Orange County was the largest contributor, with 4,913 persons employed and a payroll upwards of \$340 million.⁵⁸ In 2016, a total of 11,650 people were employed in the tourism industry in DR-4353, generating \$632.9 million. Los Angeles County had the largest industry with over 9,000 persons employed and generating upwards of \$543 million.⁵⁹ In 2016, direct travel generated employment was 1,096,000 and travel-generated state and local tax revenue was \$10.3 billion, more than 70 percent of which, was paid by visitors.⁶⁰

Estimated Tourism Impacts

Tourism is an economic driver in all the impacted counties. According to the California Travel Impacts report sponsored by Visit California, the estimated annual tourist spending in the

⁵⁶ Los Angeles Times, Associated Press, "California is now the world's fifth-largest economy, surpassing the United Kingdom," <http://www.latimes.com/business/la-fi-california-economy-gdp-20180504-story.html>.

⁵⁷ U.S. Census Bureau, 2016 County Business Patterns.

⁵⁸ U.S. Census Bureau, 2016 County Business Patterns.

⁵⁹ U.S. Census Bureau, 2016 County Business Patterns.

⁶⁰ Los Angeles Times, "[California tourism industry grows for the 7th straight ...](#)"

impacted areas is \$62.7 billion.⁶¹ A model was created to estimate the impact on tourism due to the wildfires and other disasters in 2017. The model was informed by surveys and other reports from local jurisdictions including a recent study conducted by Visit California that found 11 percent of travelers said wildfires prompted them to cancel trips to California.⁶²

Impacts from a loss of tourist spending are estimated at \$309.7 million over three months during and after the wildfires. Estimated annual tourist spending was broken down into monthly spending estimates and adjusted to reflect the relative impact of the disaster on each county. The following tables provide an overview of estimated losses by each county included in the disaster declarations. Impacts include estimates of annual tourist spending and tax revenues provided by the California Travel Impacts report from May 2018.

The impact for counties located in DR-4344 is estimated at \$158.8 million for the months of October, November and December. Impacts account for losses in both tourist spending and tax revenue for each county. A higher rate of loss was applied to counties with larger impacts and established tourism areas.

FIGURE 75: ESTIMATED TOURISM IMPACTS DR-4344

	Estimated Annual Tourist Spending	Estimated Tourist Spending per Quarter	Estimated Spending Loss Oct-Dec	Estimated Decline Oct-Dec	Estimated Tax Loss Oct - Dec	Estimated Total Impact - Tourism Spending and Taxes
DR-4344	\$16,177,000,000	\$4,044,250,000	\$119,005,833	2.9%	\$39,828,667	\$158,834,500
Butte	\$307,000,000	\$76,750,000	\$4,349,167	5.7%	\$1,354,333	\$5,703,500
Lake	\$167,000,000	\$41,750,000	\$2,226,667	5.3%	\$602,667	\$2,829,333
Mendocino	\$386,000,000	\$96,500,000	\$5,468,333	5.7%	\$1,966,333	\$7,434,667
Napa	\$1,354,000,000	\$338,500,000	\$33,850,000	10.0%	\$12,210,000	\$46,060,000
Nevada	\$318,000,000	\$79,500,000	\$4,240,000	5.3%	\$1,360,000	\$5,600,000
Orange	\$11,625,000,000	\$2,906,250,000	\$19,375,000	0.7%	\$6,132,667	\$25,507,667
Sonoma	\$1,934,000,000	\$483,500,000	\$48,350,000	10.0%	\$15,840,000	\$64,190,000
Yuba	\$86,000,000	\$21,500,000	\$1,146,667	5.3%	\$362,667	\$1,509,333

Source: Dean Runyan Associates, Inc., GCR, Inc.

The impact for counties located in DR-4344 is estimated at \$150.8 million for the months of December, January, and February. Impacts for these counties followed the same methodology.

⁶¹ Dean Runyan Associates, Inc., "California Travel Impacts," <https://industry.visitcalifornia.com/Research/Economic-Impact?sort=county®ion=Mendocino>, May 2018.

⁶² Visit California, "As Wildfires Affect Western United States, Tourism Leadership Establish West Coast Tourism Recovery Coalition to Share that the West is Open for Business," <https://media.visitcalifornia.com/Story-Inspiration/Press-Releases/The-West-is-Open-for-Business>, August 2018.

FIGURE 76: ESTIMATED TOURISM IMPACTS DR-4344

	Estimated Annual Tourist Spending	Estimated Tourist Spending per Quarter	Estimated Impact on Spending Dec-Feb	Estimated Decline Dec-Feb	Estimated Tax Loss Dec-Feb	Estimated Total Loss - Tourism Spending and Taxes
DR-4353	\$46,473,000,000	\$11,618,250,000	\$113,173,750	1.0%	\$37,616,333	\$150,790,083
Los Angeles	\$26,855,000,000	\$6,713,750,000	\$11,189,583	0.2%	\$3,801,000	\$14,990,583
San Diego	\$15,802,000,000	\$3,950,500,000	\$6,584,167	0.2%	\$1,995,333	\$8,579,500
Santa Barbara	\$2,121,000,000	\$530,250,000	\$53,025,000	10.0%	\$18,360,000	\$71,385,000
Ventura	\$1,695,000,000	\$423,750,000	\$42,375,000	10.0%	\$13,460,000	\$55,835,000

Source: Dean Runyan Associates, Inc., GCR, Inc.

Overall, the model estimates a one percent decline in tourism spending due to the wildfires and mudflows of 2017 for a total impact of \$309.6 million.

FIGURE 77: ESTIMATED TOURISM IMPACTS

	Estimated Annual Tourist Spending	Estimated Tourist Spending per Quarter	Estimated Spending Loss	Estimated Decline	Estimated Tax Loss	Estimated Total Impact - Tourism Spending and Taxes
DR-4344	\$16,177,000,000	\$4,044,250,000	\$119,005,833	3%	\$39,828,667	\$158,834,500
DR-4353	\$46,473,000,000	\$11,618,250,000	\$113,173,750	1%	\$37,616,333	\$150,790,083
Total	\$62,650,000,000	\$15,662,500,000	\$232,179,583	1%	\$77,445,000	\$309,624,583

Source: Dean Runyan Associates, Inc., GCR, Inc.

k. Small Business Administration (SBA) Business Disaster Loans

The SBA offers Business Physical Disaster Loans and Economic Injury Disaster Loans (EIDL) to businesses to repair or replace disaster damaged property owned by the business, including real estate, inventories, supplies, machinery, equipment, and working capital until normal operations resume. Businesses of all sizes are eligible. Private, nonprofit organizations such as charities, churches, and private universities are also eligible. The law limits these business loans to \$2 million and the amount cannot exceed the verified uninsured disaster loss.

The total verified loss for real estate for both federally declared disaster areas was \$178.3 million and all other business content was \$20.3 million. The SBA has approved over \$26.9 million in business loans as of July 15, 2018. The breakdown of total loans by county and federally declared disaster areas can be seen in the following table.

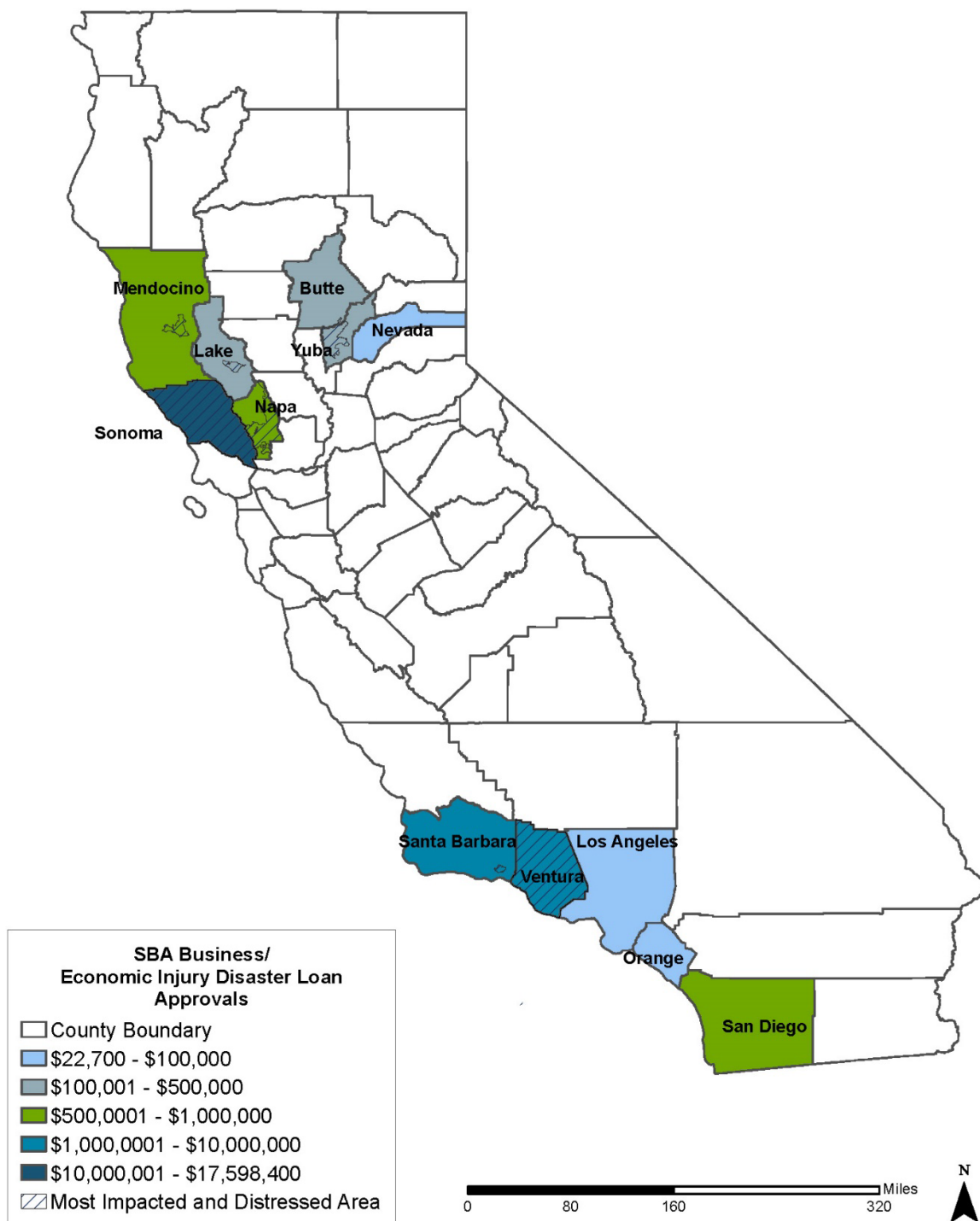
FIGURE 78: TOTAL BUSINESS LOANS APPROVED BY SBA

Total Business Loans Approved by SBA (as of 07/15/18)		
	Number of Approved Loan Applications	Total Approved Business Loan Amount (Current Amount)
State of California	290	\$26,874,600
DR-4344	176	\$19,931,400
DR-4353	114	\$6,943,200
Most Impacted and Distressed Areas	223	\$25,511,600

Source: U.S. Small Business Administration

Note: State values are the sum of declared disaster areas.

FIGURE 79: SBA BUSINESS/EIDL LOAN APPROVAL MAP



Source: U.S. Small Business Administration Business Loans, 2018, ESRI

State of California

The State of California has received a total of 7,465 SBA Disaster loan applications for disasters DR-4344 and DR-4353 since October 2017. As of July 15, 2018, 290 loans were approved, totaling \$26.9 million; 376 applications were declined, 1,959 were in process, and 281 applications were withdrawn.

DR-4344

As of July 15, 2018, SBA has issued 3,430 business loan applications within DR-4344. Of these, 176 applications have been approved totaling \$19.9 million, 238 applications have been declined, 1,743 were in process and 192 applications were withdrawn.

FIGURE 80: DR-4344 BUSINESS LOANS APPROVED BY SBA

Total Business Loans Approved by SBA (as of 07/15/18)		
County	Number of Approved Loan Applications	Total Approved Business Loan Amount (Current Amount)
Butte County	1	\$114,400
Lake County	1	\$206,500
Mendocino County	4	\$544,000
Napa County	23	\$931,600
Nevada County	1	\$22,700
Orange County	1	\$40,100
Sonoma County	143	\$17,598,400
Yuba County	2	\$473,700
Total	176	\$19,931,400

Source: U.S. Small Business Administration, 2018

DR-4353

Within DR-4353, SBA has issued 1,129 business loan applications. Of these, 114 applications have been approved totaling \$6.9 million; 138 applications have been declined, 216 were in process and 89 applications were withdrawn.

FIGURE 81: DR-4354 BUSINESS LOANS APPROVED BY SBA

Total Business Loans Approved by SBA (as of 07/15/18)		
County	Number of Approved Loan Applications	Total Approved Business Loan Amount (Current Amount)
Los Angeles County	3	\$65,300
San Diego County	6	\$721,700
Santa Barbara County	68	\$2,313,100
Ventura County	37	\$3,843,100
Total	114	\$6,943,200

Source: U.S. Small Business Administration, 2018

Most Impacted and Distressed Areas

Within the Most Impacted and Distressed areas, SBA has issued 3,676 applications within the Most Impacted and Distressed areas and have received \$25.5million in disaster business loans. As of July 15, 2018, 276 have been declined, 1,401 were in process and 230 applications were withdrawn.

FIGURE 82: BUSINESS LOANS APPROVED BY SBA IN MOST IMPACTED AND DISTRESSED AREAS

Total Business Loans Approved by SBA (as of 07/15/18)		
	Number of Approved Loan Applications	Total Approved Business Loan Amount (Current Amount)
County		
Sonoma County	143	\$17,598,400
Ventura County	37	\$3,843,100
Zip Code		
93108	27	\$2,224,100
94558	9	\$621,800
95422	1	\$206,500
95470	4	\$544,000
95901	2	\$473,700
Total	223	\$25,511,600

Source: U.S. Small Business Administration, 2018

I. Impact on Public Services

State and federal agencies joined to provide emergency services immediately after disasters DR-4344 and DR-4353. FEMA provided immediate public assistance debris removal and emergency protective measures, soon followed by Individual Assistance (IA), and the State Operations Center was activated to support emergency management coordination and mutual aid requests for impacted communities.

The California Office of Emergency Services (Cal OES) led the state's disaster response. The Inland, Coastal, and Southern Regional Emergency Operations Centers were also activated, and the California National Guard mobilized to support disaster response and relief efforts. SBA, HUD, and US Department of Agriculture (USDA Rural Housing) were all mission-assigned within weeks of the disasters to provide housing support. HUD, HCD, The California Department of Social Services (CA-DSS), and the California Housing Finance Agency (CalHFA) collaborated to coordinate services for individuals leaving temporary shelters and find assistance for homeowners to begin rebuilding. The presidential disaster declaration that authorized FEMA IA also served to trigger the Disaster Case Management program, whereby local and state government and private organizations could apply for funding to increase disaster case management services available for impacted individuals.

Local government and community members provided critical services immediately after both disasters, evacuating neighborhoods, coordinating shelters and supplies, and getting information to displaced residents. Sonoma County's *Recovery & Resiliency Framework*, discusses its

immediate response activities in Sonoma County. They discuss adopting emergency ordinances to facilitate immediate housing, distributing 10,000 masks within the first 72 hours of fires, establishing emergency shelters and Local Assistance Centers, replacing burned documents for fire victims, and holding community meetings, among countless other activities.⁶³

Local public service providers in both DR-4344 and DR-4353-affected areas increased their capacity and organized together to serve the needs of the thousands of individuals and families that were impacted by wildfires and mudslides. The Rebuilding our Community (ROC) coalition formed to serve Sonoma County, joining faith based, nonprofit, governmental, business and other organizations to serve recovery needs from disaster case management, to rebuilding, and mental health care. Catholic Charities of California is the lead disaster case management organization for many counties in Northern California recovering from DR-4344. Catholic Charities serves low income and extremely low income individuals and households (many of which included members who were disabled, elderly, and/or had limited English proficiency) in Sonoma, Lake, Mendocino, and Napa counties. Catholic Charities managed cases for 1,160 households in these four counties. Most households served by Catholic Charities were renters and had no insurance, and had not received FEMA, SBA, or supplemental grant funding. Red Cross served impacted communities in Southern California.

Ventura County agencies, departments, and organizations joined to open local assistance centers that would serve 1,950 families, and also formed the Ventura County Recovers coalition, which launched a website to centralize recovery resources, and distributed a needs survey to 1,800 individuals who had registered for their online notification system.⁶⁴ Santa Barbara also opened a Local Recovery and Assistance Center, where local, state and federal representatives provided information on rebuilding, permitting, and health and human services, among other recovery needs. In Ventura and Santa Barbara Counties, the 805 UndocuFund formed to provide aid to undocumented individuals and families that were impacted by the Thomas Fire and subsequent mudslides, serving over 200 families, still with a waitlist of 1,100 as of July 2018.⁶⁵ The UndocuFund for Fire Relief in Sonoma County had provided direct assistance to 1,900 families as of October 2018.⁶⁶ The Ventura County Community Foundation and Santa Barbara Foundation both raised funding for local nonprofits to help increase their capacity for disaster support.

The California Department of Human Development (CHD) provided assistance to 1,500 families in Sonoma County, primarily low income and Latino, 1,000 of which had at least one immigrant member and 700 of which had at least one undocumented member. CHD found an unmet need in multilingual, culturally sensitive mental health services, particularly for children—this need is also reflected in data reports from the Sonoma Crisis Counseling Assistance and Training Program (CCP), where only 13 percent of the individuals served in fire related counseling were Latino and 1 percent were children.⁶⁷ CCP reported a total of 2,540 fire-related service encounters

⁶³ Sonoma County [Recovery and Resiliency Framework](#) Draft, September 2018.

⁶⁴ Ventura County, [Ventura County Recovers: The Thomas Fire 6-month Review](#), June 2018.

⁶⁵ 805 UndocuFund, "[3 Months after the Mudslide Update](#)," April 2018

⁶⁶ UndocuFund for Fire Relief in Sonoma County, "Our Impact," <http://undocufund.org/impact/>.

⁶⁷ CCP Data Report: Sonoma-Complex Fires, January 2018-May 2018. Provided by Sonoma County in July 2018.

(individual/family crisis counseling, group/public education, and brief intervention) from January to May 2018, serving a total of 3,732 individuals.

m. Mitigation and Resilience

FEMA provides public assistance via a number of programs. The Hazard Mitigation Grant Program (HMGP) serves as a resource to fund programs that reduce the risk of loss of life and property and is offered following a presidential major disaster declaration. HMGP funds, provided at the amount of FEMA disaster recovery assistance under the presidential declaration, are allocated based on a sliding scale formula based on an appropriate percentage of the estimated total federal assistance (less administrative costs) wherein each individual activity is required to have at least a 25 percent non-federal cost share. The HMGP funding ceiling is estimated by FEMA at 90-days post disaster until a lock in ceiling is established six months after the disaster declaration. Twelve months after the disaster declaration a final review of the lock in ceiling determines an official final amount of HMGP fund availability. The final amount will not be less than the six-month lock-in amount.

FIGURE 83: DR-4344 AND DR-4353 HMGP PROJECTS

Disaster	Geography	Total Project Count	Total Project Cost	Federal Share	Applicant Request Match
4353	MID	156	\$371,667,296	\$219,149,823	\$150,942,773
	Statewide	268	\$684,373,547	\$358,839,590	\$323,759,256
4344	MID	250	\$705,421,206	\$426,630,514	\$293,808,374
	Statewide	489	\$1,486,192,403	\$884,447,791	\$617,633,844
Total 4353 & 4344	MID	406	\$1,077,088,502	\$645,780,337	\$444,751,147
	Statewide	757	\$2,170,565,950	\$1,243,287,381	\$941,393,100

Source: FEMA Public Assistance, August 2018

HMGP application data was requested from the Governor's Office of Emergency Services (CalOES) to evaluate unmet needs based on local matching dollar amounts. Data was evaluated by categorizing the applications by hazard, location within declaration areas, location within most impacted areas, project category, total cost, and by unmet need dollar amount. In August 2018, a total of 757 HMGP project applications were submitted to CalOES, 489 of which are from DR-4344 and 268 from DR-4353. The statewide total federal dollar amount was \$1,243,287,381.38 and the local matching (unmet) amount was \$941,393,100.12. Within most impacted areas there were 406 applications statewide, 250 within DR-4344 and 156 in DR-4353. DR-4344 most impacted area applications total \$426,630,513.89 in federal funds and \$293,808,373.89 in unmet local matching funds. In DR-4353 most impacted areas federal funds total \$219,149,823.25 and local matching amounts to \$150,942,772.75. Further information on how the projects were categorized in evaluating unmet need follows.

n. Unmet Needs Summary

The previous sections of the Needs Assessment provide an overview of HCD's current understanding of the impacts and remaining unmet needs related to the October and December 2017 disasters. The impacted communities continue to face a daunting rebuilding and recovery process, and significant unmet recovery needs remain. While CDBG-DR funds will not make any one of the impacted communities whole, the resources will provide critical support to individuals and communities. The following figure provides a summary of disaster impacts from DR-4344 and DR-4353 using HUD's unmet recovery needs methodology as outlined in the August 14, 2018 Federal Register Notice.⁶⁸ The Federal Register Notice allocated \$212 million in CDBG-DR funding, with \$124 million to address unmet recovery needs (addressed in this Action Plan) and \$88 million to address mitigation (to be addressed in a subsequent Action Plan). Using this conservative estimate, the total unmet recovery needs are over \$1 billion.

FIGURE 84: UNMET NEEDS SUMMARY – HUD METHODOLOGY

Category	Data Source	Total Impact	Resources Available	Unmet Need (Total Impact less Applied Resources)	% of Total
Housing	FEMA IA	\$209,630,395	\$23,723,406	\$185,906,989	18%
Infrastructure	FEMA PA	\$592,197,307	\$557,523,980	\$34,673,327	3%
	FEMA HMGP	\$1,118,748,393	\$648,572,968	\$470,175,423	45%
Economic	SBA – Commercial Loss	\$123,619,322	\$33,084,100	\$90,535,222	9%
Agriculture	Local	\$259,438,082	N/A	\$259,438,082	25%
Total		\$2,303,633,499	\$1,262,904,454	\$1,040,729,043	

Given the data challenges presented in the housing unmet needs section, including the limited FEMA IA and SBA home loan registrations, HCD proposes the following Alternative Methodology for a more holistic portrait of unmet recovery needs. The Housing category includes the Alternative Methodology of using the boots on the ground damage assessment conducted by CAL FIRE across the disaster impacted communities. HCD believes this shows a more accurate portrait of total housing impacts from the disasters. Using the Alternative Methodology below, the State of California faces a total of \$2,555,831,863 in unmet recovery needs related to DR-4344 and DR-4353.

⁶⁸ Ibid 9, <https://www.gpo.gov/fdsys/pkg/FR-2018-08-14/pdf/2018-17365.pdf>

FIGURE 85: UNMET NEEDS SUMMARY – ALTERNATIVE METHODOLOGY

Category	Data Source	Total Impact	Resources Available	Unmet Need (Total Impact less Applied Resources)	% of Total
Housing	Alternative Methodology	\$2,283,300,000	\$582,290,191	\$1,701,009,809	67%
Infrastructure	FEMA PA	\$592,197,307	\$557,523,980	\$34,673,327	1%
	FEMA HMGP	\$1,118,748,393	\$648,572,968	\$ 470,175,423	18%
Economic	SBA – Commercial Loss	\$123,619,322	\$33,084,100	\$90,535,222	4%
Agriculture	Local	\$259,438,082	N/A	\$259,438,082	10%
Total		\$4,377,303,104	\$1,821,471,239	\$2,555,831,863	

III. General Requirements

1. Rehabilitation/Reconstruction of Public Housing, Affordable Housing and other forms of Assisted Housing

a. Identification of Impacted Areas

For the purposes of assessing impacts to public housing, affordable housing, and other forms of assisted housing, HCD consulted with local governments and Public Housing Authorities in the following areas:

- Butte County
- Lake County
- Mendocino County
- Napa County
- Nevada County
- Orange County
- Sonoma County
- Yuba County
- Los Angeles County
- San Diego County
- Santa Barbara County
- Ventura County

b. Public Housing Needs

To assess the unmet recovery needs for public housing units, HCD requested data from Public Housing Authorities in disaster impacted areas as well as from HUD field offices in northern and southern California, including damages to public housing units (if any) and the resources needed to repair the units. As reflected in the needs assessment, there were no reported damages to public housing units; therefore, there are no identified public housing unmet needs. Furthermore, Mendocino County, Sonoma County, and the City of Santa Rosa received a total of \$3,475,850 in voucher funding to assist existing and new families in the Housing Choice Voucher program.⁶⁹

c. Sources of Funding for Affordable Housing Unmet Needs

HCD has allocated \$66.7 million dollars in CDBG-DR funding to address the unmet rental housing needs by providing gap funding for multifamily developments in the impacted areas. However, this funding will not meet full need for affordable housing identified in this Action Plan. To meet the identified unmet needs, HCD will leverage its portfolio of programs targeted at creating affordable housing as additional sources of funding to address disaster impacts. A full list of the leveraged programs is outlined in Section III, part 8 below.

d. Affordable Rental Housing Needs

A total of 39 Housing Choice Voucher units were damaged in DR-4344 and DR-4353. Combined with the extremely low pre-disaster vacancy rates, Housing Choice Voucher holders are faced with steep decreases in the number of available units. While HCD has not allocated funds to directly address impacts to the private market units occupied by the Housing Choice Voucher holders, HCD has identified \$66.7 million dollars for multifamily housing to create rental units, including the creation of units that will be available to Housing Choice Voucher holders and other individuals who receive housing subsidies.

e. Affordable Rent, Tenant Income Limits, and Minimum Affordability Period

Multifamily developments funded under this CDBG-DR grant will adhere to standard requirements set by HCD to ensure compliance with not only the CDBG-DR requirements, but also the specific requirements set by the governing federal income limits. All requirements of the multifamily program will be outlined in detail in the program manual and application guidelines for sub-grantees. At a minimum, the following thresholds must be adhered to in all programs:

- HCD will determine affordable rents in multifamily projects by calculating the Fair Market Rents (FMR) along with the maximum of 30 percent of an LMI household's income.
 - FMRs are the standard for the Housing Choice Voucher program, as well as to determine initial renewal rents for some expiring project-based Section 8 contracts, to determine initial rents for housing assistance payment (HAP) contracts in the Moderate Rehabilitation Single Room Occupancy program (Mod Rehab),

⁶⁹ Department of Housing and Urban Development, "HUD Allocates Additional \$50 million to victims of 2017 Natural Disasters," October 2018.

https://www.hud.gov/press/press_releases_media_advisories/HUD_No_18_122?hootPostID=71a5d371c73641ff2c043ac362ef3a1d

determining rent ceilings for rental units in both the HOME Investment Partnerships Program (HOME) and the Emergency Solution Grants (ESG) program, for the calculation of maximum award amounts for CoC recipients and the maximum amount of rent a recipient may pay for property leased with CoC funds, and calculation of flat rents in Public Housing units.

- Affordability is also determined by rates not exceeding 30 percent of a household's income. Per HUD definitions, housing costs are a cost burden when greater than 30 percent of a household's income.
- HCD will determine the percent of units in any approved multifamily development that will be leased to tenants with an income of up to 80 percent of the area median income based on regulatory and program requirements.
- Multifamily developments must meet the following affordability requirement: a minimum affordability period of 15 years for the rehabilitation or reconstruction of multifamily rental projects with eight or more units and a minimum affordability period of 20 years for the new construction of multifamily rental units with five or more units. If a rental project that requires rehabilitation or reconstruction is subject to existing affordability requirements associated with other funding sources, HCD will allow that the 15 year affordability period required by the CDBG-DR funding may run concurrently (or overlap) with the affordability requirements associated with such other funding.

f. Fair Housing

HCD will follow policies and procedures for compliance with Affirmatively Furthering Fair Housing (AFFH) requirements during the planning and implementation of all the activities listed in this Action Plan. Such policies and procedures involve a review that includes an assessment of the demographics of the proposed housing project area, socioeconomic characteristics, environmental hazards or concerns, and other factors material to the AFFH determination. Multifamily program applications should demonstrate that the proposed projects are likely to lessen area racial, ethnic, and low income concentrations, and/or promote affordable housing in low- poverty, nonminority areas in response to natural hazard related impacts.

g. Demonstrable Hardship

A demonstrable hardship is defined as a substantial change in a household's situation that prohibits or severely affects their ability to provide and maintain a minimal standard of living or basic necessities, such as food, housing, clothing, and transportation. A demonstrable hardship must be occurring after the fires and must be documented.

The demonstrable hardship must be of a severe, involuntary and unexpected nature, and not generally for the same reasons shared with other households affected by the disaster. Examples of a demonstrable hardship may include job loss, failure of a business, divorce, severe medical illness, injury, death of a family member or spouse, unexpected and extraordinary medical bills, disability, substantial income reduction, unusual and excessive amount of debt due to a natural disaster, etc. However, there is no one event that automatically defines a demonstrable hardship. HCD will consider each applicant's overall situation if a demonstrable hardship is claimed and

documentation can be provided showing the cause and any other factors relevant to the issue of demonstrable hardship.

h. Not Suitable for Rehabilitation

HCD defines a structure as not suitable for rehabilitation in two scenarios:

- The cost for rehabilitation is over 50 percent of the pre-disaster fair market value of the home.
- The cost for rehabilitation exceeds the cost to reconstruct the home.

2. Housing for Vulnerable Populations

a. Emergency Shelters and Transitional Housing

Information on damages to emergency shelters and transitional housing was requested as part of the data request HCD sent to each jurisdiction in the disaster-impacted areas. There were no reports of damages to shelters or transitional housing; therefore, HCD has not allocated funding to address the rehabilitation, reconstruction, or replacement of emergency shelters and transitional housing.

b. Permanent Supportive Housing

HCD has allocated nearly \$67 million for the development of multifamily housing. Through requirements outlined in the program guidelines and coordination with sub-grantees in project development and implementation, units addressing the special needs of persons who are not homeless but require supportive housing (e.g., elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents) will be included in CDBG-DR funded multifamily housing developments.

Specific locations and quantities of permanent supportive housing (PSH) units, along with services provided to individuals and families occupying PSH units, will be determined through an assessment of local needs completed in the project planning phase. Furthermore, the inclusion of PSH units in multifamily projects will be considered in the evaluation of project proposals. See Section IV for additional details on the multifamily program.

In addition, HCD has a suite of programs targeted at providing supportive housing to vulnerable populations. The programs include:

- **No Place Like Home (NPLH):** \$1.8 billion available to counties to acquire, design, construct, rehabilitate, or PSH for persons who are experiencing homelessness, chronic homelessness or who are at risk of chronic homelessness, and who are in need of mental health services.
- **Supportive Housing Multifamily Housing Program:** provides low-interest loans to developers of permanent affordable rental housing that contain supportive housing units.

Additional details on these programs can be found in the Leveraging Funds section below.

c. Housing for Homeless and Persons At-Risk of Homelessness

HCD recognizes the critical importance of providing housing opportunities for individuals and families that are homeless or at risk of homelessness. In addition to the NPLH program noted above, HCD's Veterans Housing and Homelessness Prevention Program (VHHP) funds the construction of multifamily housing with 50 percent of the funds reserved for extremely low income veterans. Additional details on VHHP can be found in the Leveraging Funds section below.

HCD reached out to CoCs across the disaster impacted areas to understand the impacts to pre-disaster homeless persons and has partnered with organizations providing disaster case management services to understand populations that, but for temporary disaster assistance, are at-risk of homelessness. These conversations have also included the needs of individuals and families that are precariously housed due to localized housing shortages and lack of available resources, among other factors.

HCD is committed to address the needs of homeless persons and persons at risk of homelessness. Furthermore, HCD will continue to coordinate with CoCs and organizations providing disaster case management services over the course of the program design process to ensure that the needs of these populations are addressed as directly as possible.

d. Promote Housing for Vulnerable Populations

In August 2018, the State of California published its Fourth Climate Change Assessment that provides information about climate impacts including the ongoing threat of wildfire to the State of California. The document outlines the ongoing threat of climate change for vulnerable populations throughout the state, noting that "[c]limate change will make forests more susceptible to extreme wildfires. By 2100, if greenhouse gas emissions continue to rise, one study found that the frequency of extreme wildfires burning over approximately 25,000 acres would increase by nearly 50 percent, and that average area burned statewide would increase by 77 percent by the end of the century."⁷⁰ With the smoke from fires and other High Heat Events (HHE) the health risks increase to vulnerable populations. As California is already experiencing these effects, the state will use a host of tools developed for climate change when they evaluate proposals for multifamily housing.

For example, the California Healthy Places Index (HPI) is an interactive online data and GIS mapping tool that allows users to easily visualize the social and economic conditions that shape health in each neighborhood in California. HPI is validated with life expectancy and provides census tract rankings across the state. As of 2017, the HPI platform also includes climate change indicators. This tool provides graphic overlays of climate risks, vulnerabilities and indicators of adaptive capacity, along with the healthy places index score, and other key decision support layers. HPI moves data into action by providing policy briefs outlining best practices to address risks associated with climate indicators. HCD may also use the Equity Checklist, intended to assist agencies to ensure that plans and investments identify and protect the state's most vulnerable

⁷⁰ Ibid 5, pg. 9 <http://www.climateassessment.ca.gov/state/docs/20180827-StatewideSummary.pdf>

populations. This checklist can be used alongside any decision-making process to improve equitable outcomes.

The Integrated Climate Adaptation and Resiliency Program (ICARP) Technical Advisory Council produced a vision statement including the following principle: “Prioritize actions that promote equity, foster community resilience, and protect the most vulnerable. Explicitly include communities that are disproportionately vulnerable to climate impacts.” The ICARP defines vulnerable communities as those that experience heightened risk and increased sensitivity to climate change and have less capacity and fewer resources to cope with, adapt to, or recover from climate impacts. Factors noted to be exacerbated by climate impact include, but are not limited to, race, class, sexual orientation and identification, national origin, and income inequality.

The ICARP provides a suite of climate vulnerability assessment tools to help identify vulnerable communities on a state, local, and regional level by 1) analyzing climate risk, and 2) analyzing adaptive capacity. Tools include:

Cal-Adapt⁷¹

Cal-Adapt is the state’s portal for the climate data and science produced for the *Fourth Climate Change Assessment* which includes new projections of climate scenarios at the neighborhood level and wildfire projections for the entire state. Viewers for key climate variables and many data sets are available to the public. The platform also includes a web Application Programming Interface (API) to allow users to build their own applications. Accessible data includes annual averages, extreme heat, sea level rise, snowpack, wildfire, cooling degree days and heating degree days, downscaled climate projections, and more.

Urban Heat Island Index for California

The Urban Heat Island Index, developed by the California Environmental Protection Agency, quantifies the extent and severity of urban heat islands for individual cities, including urban heat island interactive maps that show the urban heat island effect for each census tract in and around most urban areas throughout the state. This can also help identify and prioritize areas across the state for adaptation efforts, such as urban greening and cool roofs and pavements.

CalEnviroScreen

CalEnviroScreen 3.0 is a screening tool that identifies communities most affected by and vulnerable to the effects of many sources of pollution and population-based disparities. It aggregates statewide environmental, health, and socioeconomic information to produce scores for every census tract in the state. A census tract with a high score is considered more disadvantaged than a community with a low score as a result of pollution burden and population characteristics. When overlaid with climate impact and exposure data, CalEnviroScreen can provide insight into built and environmental exposure factors that contribute to vulnerability.

⁷¹ Cal-Adapt, www.cal-adapt.org

California Building Resilience Against Climate Effects

The California Building Resilience Against Climate Effects (CalBRACE) Project developed climate change and health indicator narratives and data to provide local health departments and partners with tools to better understand the people and places in their jurisdictions that are more susceptible to adverse health impacts associated with climate change, specifically extreme heat, wildfire, sea level rise, drought, and poor air quality. The assessment data, known as Climate Change & Health Vulnerability Indicators for California (CCHVI), can be used to screen and prioritize where to focus deeper analysis and plan for public health actions to increase resilience.

Government Alliance on Race and Equity Toolkit

The Government Alliance on Race and Equity (GARE) is a national network of government working to achieve racial equity and advance opportunities for all. The Racial Equity Toolkit is designed to integrate explicit consideration of racial equity in decisions, including policies, practices, programs, and budgets. Use of a racial equity tool can help to develop strategies and actions that reduce racial inequities and improve success for all groups.⁷²

HCD will utilize these tools throughout the lifecycle of its CDBG-DR funded projects and programs. Most critically, the tools will be employed during the project planning stage as a means of evaluating the impacts of planning decisions and how they may affect racial, ethnic, and low income concentrations. Furthermore, the tools will be used to assess specific project details, including location, design, and construction materials, among others to ensure affordable housing is made available where it is most needed and constructed in a manner resilient to natural hazards.

General Plans

All city and county governments in California are required to produce and periodically update general plans - documents that act as long-term blueprints for each community's vision of future growth (see Section III, part 6 below for additional details on the general plan). Each general plan is required to include a chapter on the "housing element," the guidelines of which are designed and updated by the Office of Planning and Research to achieve the state housing goal of prioritizing "attainment of decent housing and a suitable living environment for all Californians." The housing element guidelines require communities to "identify disadvantaged areas within the area covered by the general plan" and "identify objectives and policies to promote safe and sanitary homes in disadvantaged communities."⁷³

HCD reviews housing elements to determine if they are adequate. Housing law was strengthened to give HCD various incentives and powers to ensure that enough affordable housing sites are identified, and other requirements.

⁷² ICARP, *Defining Vulnerable Communities in the Context of Climate Adaptation*.

⁷³ Office of Planning and Research, *Required Elements: Designing Healthy, Equitable, Resilient, and Economically Vibrant Places* http://www.opr.ca.gov/docs/OPR_C4_final.pdf.

3. Displacement of Persons and/or Entities

HCD develops all programs with the intent to minimize displacement of persons or entities. All program guidelines, applications, and technical assistance provided will include policies around displacement. HCD will minimize displacement of persons or entities as a result of the implementation of CDBG-DR projects by ensuring that all programs are administered in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) of 1970, as amended (49 CFR Part 24) and Section 104(d) of the Housing and Community Development Act of 1974 and the implementing regulations at 24 CFR Part 570.496(a). All the housing recovery programs outlined in this Action Plan will be implemented with the goal of minimizing displacement of families from their home, whether rental or owned.

The relocation assistance requirements at Section 104(d)(2)(A) of the Housing and Community Development Act and 24 CFR 42.350 are waived to the extent that they differ from the requirements of the URA and implementing regulations at 49 CFR part 24, as modified by the Notice, for activities related to disaster recovery. Without this waiver, disparities exist in relocation assistance associated with activities typically funded by HUD and FEMA (e.g. buyouts and relocation).

The impacts of the disasters are vast and, in many cases, have destroyed homes. In the instance that homes may be rehabilitated, HCD will opt for rehabilitation to minimize the displacement of the homeowner. Additionally, the required affordability periods of 15 and 20 years for multifamily rental units will also assist with prevention of displacement.

4. Protection of People and Property

The State of California has a long history of promoting building design and zoning to protect people and property from harm due to natural disaster. Since the mid-1980s the state has promoted “defensible space” for homeowners living in fire prone areas. In 1993 the nonprofit California Fire Safe Council was established to promote fire safety and to support local community fire safe councils. In 2005 a comprehensive set of state legislation passed to require homeowners to maintain defensible space and established local Fire Safe Councils. At the same time the WUI codes were adopted requiring local jurisdictions’ zoning comply with the state’s standards.

Wildland-Urban Interface Requirements

The WUI is the area where structures meet or intermingle with undeveloped wildland vegetation. These structures are vulnerable to fire damage, as they are close to fire hazards. In 2003, The California State Fire Marshall, in consultation with the Director of Forestry and Fire Protection and HCD, was tasked with developing statewide fire protection requirements for roofs, exterior walls, structure projections, and structure opening of buildings located in WUI Fire Areas. These requirements became fully effective in 2007, and all new homes built must meet these building requirements.

Through a collaborative effort of the California Department of Forestry and Fire Protection, Office of the State Fire Marshal, local fire districts, building associations and other public safety organizations, the WUI codes have been developed to encourage ignition resistant construction in California's fire prone areas. The codes include specific material, design and construction standards to maximize ignition resistance.

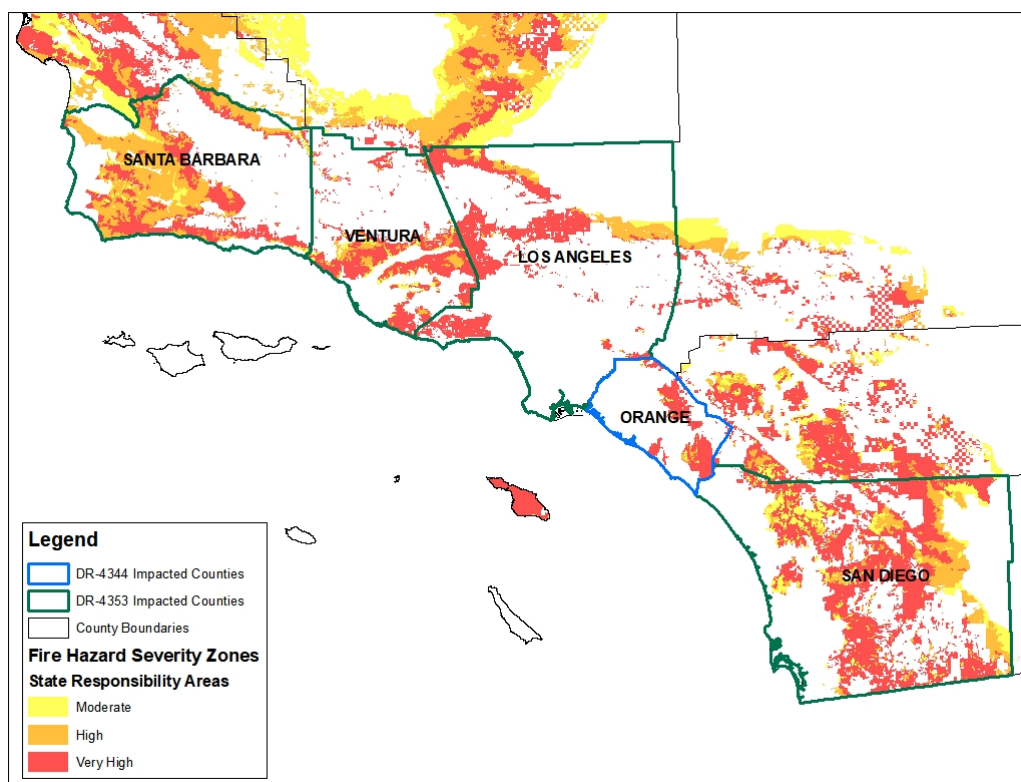
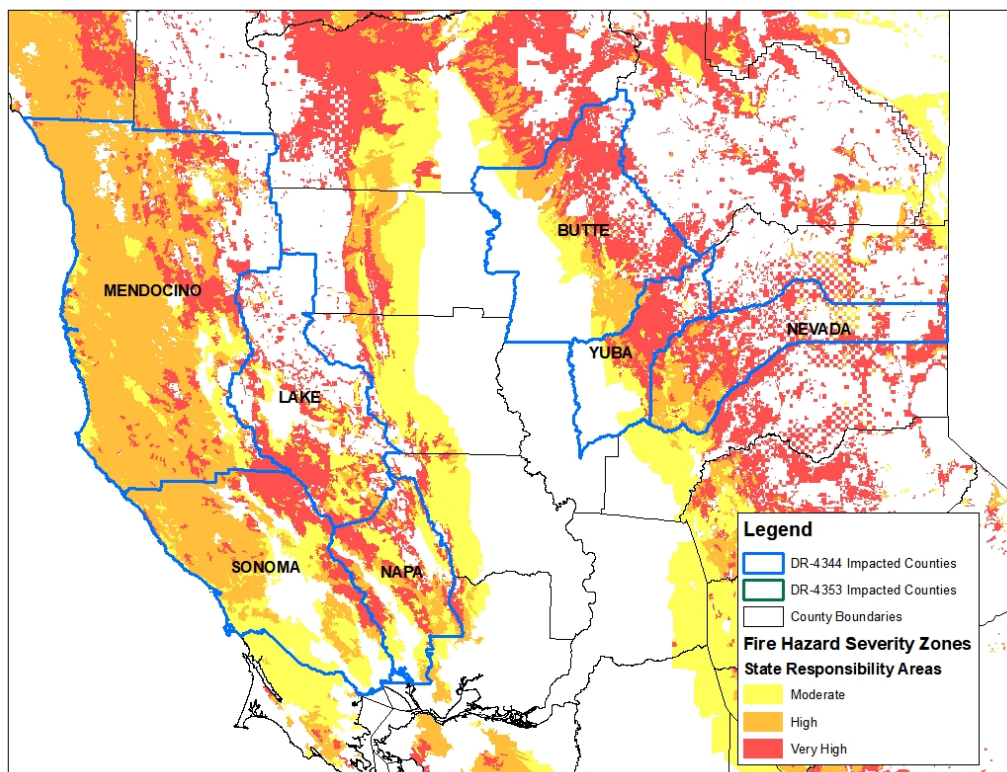
The WUI codes are a requirement for new buildings in Fire Hazard Severity Zones in State Responsibility Areas (where the state is primarily responsible for the prevention and suppression of forest fires), and otherwise adopted at the discretion of local districts responsible for their own fire protection. A majority of impacted areas are located in State Responsibility Areas.

Building standards include specific regulation of materials and design for roofing, attic ventilation, exterior walls, decking and underfloor⁷⁴. WUI regulations also require that homeowner's clear flammable vegetation within 30 feet of buildings and modify vegetation within 100 feet around buildings to create a defensible space for firefighters to safely protect vulnerable property and to reduce fuels by which fire may continue to grow or spread.

HCD will comply with the Federal Register Notice requirement to support the adoption and enforcement of modern and/or resilient building codes and mitigation of hazard risk. Any structures supported through the programs detailed in this Action Plan located in any Fire Hazard Severity Zone within State Responsibility Areas, Local Agency Very-High Fire Hazard Severity Zone, or any Wildland Urban Interface Fire Area, will comply with state and HUD requirements. The following maps show the fire hazard areas for the counties impacted by the DR-4344 and DR-4353 disasters.

⁷⁴ California Department of Forestry and Fire Protection & Office of the State Fire Marshal, "Wildland-Urban Interface Building Codes Fact Sheet," http://www.fire.ca.gov/fire_prevention/downloads/BSR_fact_sheet.pdf May 2007

FIGURE 86: FIRE HAZARD SEVERITY ZONES IN STATE RESPONSIBILITY AREAS



5. Construction Standards

The State Housing Law Program under HCD continuously refines the building standards to ensure they comply with new or changing laws and regulations and develops statewide building standards for new construction of all building types and accessories. The State Housing Law Program also develops the building standards necessary to provide accessibility in the design and construction of all housing other than publicly funded housing. The building standards are published as the California Building Standards Code under the California Code of Regulations, Title 24, and construction standards in the Standard Agreement must meet or exceed all applicable requirements for housing or building construction.

All new construction is required to pass quality inspections and code enforcement inspections over the development of the project. HCD will require a post construction warranty period of one-year for all work performed, including any work completed by subcontractors.

a. Green Building Standards

HUD requires all rehabilitation, reconstruction, and new construction to be designed to incorporate principles of sustainability, including water and energy efficiency, resilience, and mitigating the impact of future disasters. Wherever feasible, the State of California follows best practices, such as those provided by the U.S. Department of Energy, Home Energy Professionals: Professional Certifications, and Standard work specifications.

For CDBG-DR funded projects, HUD requires green building standards for replacement and new construction of residential housing.

i. 2019 Building Energy Efficiency Standards

The State of California intends to promote high quality, durable, and energy efficient construction methods in areas impacted by the 2017 fires. All newly constructed buildings must meet locally adopted building codes, standards and ordinances. In May 2018, the California Energy Commission adopted new building standards that will require all newly constructed homes to include solar photovoltaic systems, effective January 1, 2020. Homes built with the 2019 standards will use approximately 53 percent less energy than those built under current 2016 standards. The California Energy Commission estimates a cost of \$9,500 per home for initial solar installation.⁷⁵

ii. Green Building Standards

All new construction of residential buildings or reconstruction of substantially damaged buildings must incorporate the state's green building standards. California Green Buildings Standards Code (CALGreen) is California's first green building code, enacted as mandatory in 2011, and adopted to address five divisions of building construction and improve public health, safety and general welfare. The divisions addressed are as follows: planning and design, energy efficiency, water

⁷⁵ California Energy Commission, May 9, 2018 News Release & 2019 Building Energy Efficiency Standards, Frequently Asked Questions, https://www.energy.ca.gov/title24/2019standards/documents/2018_Title_24_2019_Building_Standards_FAQ.pdf

efficiency and conservation, material conservation and resource efficiency, and environmental quality. CALGreen applies to the planning, design, operation, construction, use, and occupancy of nearly every newly-constructed building or structure in the state, as well as additions and alterations to existing buildings that increase the building's conditional area, interior volume, or size.⁷⁶

b. Residential Construction Standards

All residential construction projects will comply with the housing construction codes of the State of California, including all units developed under the Owner Occupied Housing Recovery Program or the Multifamily Housing Recovery Program. Housing construction codes for building in California follow federal and state laws, regulations, and adaptations for construction of single family and multifamily units.

Construction standards for HCD's housing projects can be referenced in the *Guide to California Housing Codes*⁷⁷. Housing construction will also be built to meet the requirements of HUD's Green Building Standards and CalGreen.

c. Small Business Rehabilitation Construction Standards

At this time, HCD's proposed small business recovery program does not allow for construction as an eligible cost. If there are program changes that include construction as an eligible cost, HCD will amend the Action Plan and incorporate small business construction standards.

d. Elevation Standards

HCD will require its sub-grantees and contractors to comply with the national floodplain elevation standards for new construction, repair of substantially damaged structures, or substantial improvements to residential structures in flood hazard areas. All structures designed for residential use within a 100-year (or 1 percent annual chance) floodplain will be elevated with the lowest floor at least two feet above the base flood elevation level and comply with the requirements of 83 FR 5850 and 83 FR 5861.

Property owners receiving assistance through the Owner Occupied Housing Recovery Program will be required to acquire and maintain flood insurance if their properties are located in a FEMA designated special flood hazard area.

Costs of elevation will be included as part of the overall cost of rehabilitation of a property. Many homes in the impacted areas with substantial damage need updates to meet current federal, state and local code requirements when repaired. If a home is within a 100-year floodplain, a cost estimate will be completed and compared with local and national averages comparable to the home's size, number of feet required for elevation and the geography of the location. Any building that has a total cost of repairs greater than 50 percent of the pre-disaster value of the property is

⁷⁶ California Department of Housing and Community Development, "Building Standards: CALGreen Compliance" <http://www.hcd.ca.gov/building-standards/calgreen/index.shtml>.

⁷⁷ California Department of Housing and Community Development, *A Guide to California Housing Construction Codes*, <http://www.hcd.ca.gov/building-standards/state-housing-law/docs/HCDSHL600.pdf>, January 2014

considered substantially damaged and will require the entire home to be brought into code compliance.

Where a neighborhood or large tract of houses have substantial damage and also require elevation, the overall impact of elevation on the long term affordability and maintenance of the housing stock for that area will be considered in determining the best and most reasonable way-forward to provide repairs.

e. Appeals Process

HCD will provide a mechanism for homeowners to appeal the quality of the rehabilitation work and file complaints. HCD plans to procure a program implementation contractor to implement the owner occupied housing program. HCD, along with the program implementation contractor, will develop a robust appeals process that will be outlined in the program manual.

The appeals process will include at a minimum a two-level process which includes a program appeals process and state level appeals process. Prior to an appeals process, program staff will work with homeowners and contractors to resolve issues and ensure the work completed meets code requirements and program standards. Contractors will be required to provide a one-year warranty period on work performed and will be required to address the homeowner's concerns about the quality and timeliness of the work. The program will develop detailed procedures around process for homeowners the quality of rehabilitation work completed on their home if it does not meet program standards. The program staff will be required to review and manage the appeals process. In the event that an appeal is not resolved in the program appeals process, the state appeals process will be activated. Further details on the appeals processes will be outlined in the program guidelines. In the event that an economic revitalization program that funds business repair work is implemented, the program will have a similar appeals process. Information about the appeals process and filing a complaint will be provided to homeowners with program materials and guidelines. The process and expectations will also be explained to contractors and included within the construction contracts.

6. Planning and Coordination

California has long experienced the hazards of earthquakes, flooding, wildfires and droughts. While it continuously works to mitigate the effects of these events in its planning, zoning, building standards and infrastructure investments, it also seeks ways to understand the long-term implications of climate change and the increase in natural hazards on the state. Growth is also a consistent factor in California. The state must work across agencies and jurisdictions to identify and help manage the needs of expanding or changing communities and the impacts of climate change on infrastructure, services, and housing. Planning efforts at the state and local levels increase collaboration between agencies, and the public and private sectors help communities address the needs caused by growth, as well as provide opportunities to increase resilience against climate change and natural hazards.

a. Long-term Recovery Planning

HCD is participating in a long-term planning process called the California Disaster Recovery Framework (CDRF), similar to the FEMA National Disaster Recovery Framework, along with other state agencies involved in recovery efforts and federal partners. A long-term recovery plan is in development through the CDRF and will be adopted once completed.

b. Statewide Planning Efforts

i. *Integrated Climate Adaptation and Resiliency Program*

The Integrated Climate Adaptation and Resiliency Program (ICARP) was established by Senate Bill 246 to develop a cohesive and coordinated response to the impacts of climate change across the state. Through its activities, ICARP develops strategies to coordinate climate activities at state, regional, and local levels, while advancing social equity.

ICARP has two components: the State Adaptation Clearinghouse and the Technical Advisory Council (TAC). The State Adaptation Clearinghouse is a centralized source of information and resources to assist decision makers at the state, regional, and local levels when planning for and implementing climate adaptation projects to promote resilience across California.

The TAC brings together local government, practitioners, scientists, and community leaders to help coordinate activities that better prepare California for the impacts of a changing climate. (TAC members bring expertise in the intersection of climate change and the sector-based areas outlined in SB 246 PRC 71358(b).) The TAC supports the Governor's Office of Planning and Research (OPR) in its goal to facilitate coordination among state, regional, and local adaptation and resilience efforts, with a focus on opportunities to support local implementation actions that improve the quality of life for present and future generations.

ii. *California General Plan Guidelines*

The OPR is statutorily required by Government Code Section 65040.2 to adopt and periodically revise the State General Plan Guidelines (GPG) for the preparation and content of general plans for all cities and counties in California. A general plan is the local government's long-term blueprint for the community's vision of future growth. The GPG serves as the "how to" resource for drafting a general plan. The 2017 version includes legislative changes, new guidance, policy recommendations, external links to resource documents, and additional resources.

iii. *Safeguarding Climate Action Team*

The Safeguarding California Climate Action Team (SafeCAT) was established to provide a venue for cross-sector collaboration and information sharing on the development of the Safeguarding California plan, Executive Order B-30-15 TAG guidance implementation, and engagement with local and regional agencies. Co-led by the OPR and the California Natural Resources Agency, the SafeCAT meets quarterly to provide updates on adaptation-related guidance documents, report updates, programs, etc., and provides a venue to discuss other collaborative efforts involving all agency members. The SafeCAT, together with the ICARP and its associated TAC, provide a suite of agency bodies and resources to foster information sharing

and engagement with local and regional governments working to address the impacts of climate change. Cal OES participates in the SafeCAT meetings as well and sits on the aforementioned TAC for the ICARP.

iv. California Adaptation Planning Guide

The California Adaptation Planning Guide (APG) serves as a foundational resource for climate adaptation planning in California. This document presents the basis for climate change adaptation planning in California and introduces a step-by-step process for local and regional climate vulnerability assessment and adaptation strategy development. The document is intended as a starting point for all communities seeking climate adaptation planning guidance.

v. Safeguarding California Plan

The Safeguarding California Plan: 2018 Update is the state's roadmap for everything state agencies are doing and will do to protect communities, infrastructure, services, and the natural environment from climate change impacts. This holistic strategy primarily covers state agencies' programmatic and policy responses across different policy areas, but it also discusses the ongoing related work with coordinated local and regional adaptation action and developments in climate impact science.

vi. Executive Order B-30-15

Executive Order B-30-15 directed state agencies to integrate climate change into all planning and investment, including accounting for current and future climate conditions in infrastructure investment. OPR was directed to convene a Technical Advisory Group (TAG) to develop guidance to support implementation of the Executive Order. The TAG included members from nearly every state agency, local and regional governments, non-governmental and community-based organizations, and the private sector. The TAG met from April 2016 through January 2017 and produced a guidance document called "Planning and Investing for a Resilient California: A Guidebook for State Agencies." This document provides high-level guidance on what future conditions to plan for and how state agencies should approach planning differently in light of a changing climate.

vii. Assembly Bill (AB) 2800

Bill AB 2800 states that "state agencies shall take into account the current and future impacts of climate change when planning, designing, building, operating, maintaining and investing in state infrastructure." The "Climate-Safe Infrastructure Working Group" convened by the California Secretary for Natural Resources per AB 2800 released recommendations on infrastructure design and planning on September 5, 2018.

viii. Cal-Heat⁷⁸

Cal-Heat is a new tool funded by the Fourth Climate Assessment to inform local public health officials' initiatives to save lives during climate exacerbated extreme heat events.

⁷⁸ Cal-Heat, www.calheat.org

ix. Coastal Storm Modeling System

The Coastal Storm Modeling System (CoSMoS) model, partly funded by the *Fourth Climate Assessment*, provides information about the complex interplay of coastal dynamics and climate change for California's coast.

x. Adaptation Capability Advancement Toolkit⁷⁹

The Adaptation Capability Advancement Toolkit, termed Adapt-CA, was created to help local governments overcome common organizational barriers and advance their capability to implement climate change adaptation measures. The Toolkit can help local governments assess their existing capabilities for climate adaptation and identify concrete actions to advance their capabilities for more effective planning and implementation of climate change adaptation activities.

xi. California Emergency Response Infrastructure Climate Vulnerability Tool (CERI-Climate)⁸⁰

California owns or operates over 600 facilities that are critical to the state's ability to respond to disasters. CERI-Climate is a decision-support tool that helps evaluate the risk to these facilities from flood and wildfire and how climate change may affect these risks.

c. Coordination with Local and Regional Planning Efforts

i. Safety Elements

The Safety Element is a state mandated element of a County's General Plan intended to address protection of the community from natural hazards. The plan must include a safety element for protection from risks of various geologic hazards, flooding, and wildland and urban fires. HCD's approval is required before a local government can adopt its housing element as part of its overall General Plan, thus, HCD partners with local governments as they develop, amend, and adopt their General Plans. The following table summarizes Safety Elements by County including the year the County last updated its Safety Element.

⁷⁹ Adapt-CA, <http://arccacalifornia.org/adapt-ca/>

⁸⁰ CERI-Climate, https://public.tableau.com/profile/rand4185#!/vizhome/CJ302-1000_CERI-Climate_20180227/Title

FIGURE 87: SAFETY ELEMENTS BY IMPACTED COUNTY

County	Safety Element Impact
Butte 2016 ⁸¹	• Policies to project the community through the year 2030. • Covers noise, floods, seismic and geologic hazards, fires, hazardous materials, disaster preparedness, and community health.
Lake County 2008 ⁸²	• Provides goal, policies, and implementation measures designed to protect public health, safety, and welfare of community from unreasonable risks while minimizing damage to structures, property, and infrastructure resulting from natural and man-made hazards.

County	Safety Element Impact
Los Angeles 1990 ⁸³	• Identifies environmental hazards including seismic activity, geotechnical hazards, floods, and fires. • Outlines regulations in place to mitigate risks and identifies agencies that provide oversight.
Mendocino 2009 ⁸⁴	• Sets policy to minimize natural hazard risks (e.g., earthquakes, wildfire, flooding) as well as manmade hazards and nuisances (e.g., noise, poor air quality, hazardous materials).
Nevada 2014 ⁸⁵	• Centered on emergency preparedness for natural hazards including seismic activity, floods, fires, and severe weather and manmade environmental hazards including airport and military airspace hazards, hazardous materials, and public safety services and facilities issues. • Designed to mitigate disasters by addressing the impacts of developing in high-risk areas, management of the natural environment as it pertains to potential hazards, and by outlining a rapid response system that includes assuring the supporting infrastructure necessary for disaster responses as well as a logistical plan.
Napa 2009 ⁸⁶	• Identifies earthquakes, fires, floods, liquefactions, and dam inundation as potential risks to public safety.

⁸¹ Butte County General Plan 2030, Ch. 11 Health And Safety Element, http://www.buttecounty.net/Portals/10/Planning/General%20Plan/2018%20Updated%20GP/11_Health_Safety_PRR.pdf

⁸² Lake County General Plan, Chapter 7 Health and Safety, <http://www.lakecountycalifornia.gov/Assets/Departments/CDD/2008+General+Plan+Final+Version/2008+General+Plan+Docs/Chapter+7+-+Health+and+Safety.pdf>

⁸³ Los Angeles County General Plan, Safety Element, http://planning.lacounty.gov/assets/upl/project/gp_web90-safety-element.pdf December 1990

⁸⁴ Mendocino County General Plan Update, 4.6 Geology, Soils, and Mineral Resources <https://www.mendocinocounty.org/home/showdocument?id=6412>, September 2008

⁸⁵ Nevada County General Plan Volume 1, Chapter 10: Safety <https://www.mynevadacounty.com/DocumentCenter/View/12582/Chapter-10-Safety-2014-PDF>

⁸⁶ Napa County General Plan, Safety, <https://www.countyofnapa.org/DocumentCenter/View/3326/Safety-Element-PDF> June 2009.

	- References the Napa Operational Area Hazard Mitigation Plan (NAOHMP), adopted in 2004, as the primary resource for detailed analyses of each of the potential hazard types. - Policies related to interdepartmental cooperation in hazard mitigation efforts, information dissemination, risk evaluation, and the need for individual/community disaster plans are outlined in the safety element.
Santa Barbara 2015 ⁸⁷	Identifies known and potential hazards, outlines existing resources and policies, provides information on existing partnerships, jurisdictions, emergency response plans, and additional recommendations.

County	Safety Element Impact
Sonoma, 2014 ⁸⁸	- Intended to protect community from unreasonable risks from seismically induced surface rupture, ground shaking, ground failure, tsunami, dam failure, slope instability leading to mudslides, landslides, subsidence and other known geologic hazards, flooding and fire. - Includes maps of known hazards and assesses evacuation routes, water supply needs, road widths, clearances around structures and items related to potential catastrophic events.
Ventura 2016 ⁸⁹	- Designed to inventory and monitor natural and man-made resources with discretionary development as it pertains to environmental concerns in mind. - Specific hazard mitigation goals aim to minimize the risk to the community, society, and structures that result from disasters by identifying programs for investigation and alleviation of risks, providing guidance for discretionary development toward the same end, and by outlining specific policies for risk reduction.
Yuba 2011 ⁹⁰	- Identifies goals, objectives, and implementation plan for seismic safety, fire hazards, flood hazards, and airport hazards in the safety element. - Reviews jurisdictions and emergency services.

⁸⁷ Santa Barbara County Comprehensive Plan, SEISMIC SAFETY & SAFETY ELEMENT, <http://longrange.sbcountyplanning.org/programs/genplanreformat/PDFdocs/Seismic.pdf> February 2015

⁸⁸ County of Sonoma Public Safety Element, <https://sonomacounty.ca.gov/PRMD/Long-Range-Plans/General-Plan/Public-Safety/> September 2014

⁸⁹ Ventura County General Plan, <https://docs.vcrma.org/images/pdf/planning/plans/Goals-Policies-and-Programs.pdf> December 2016

⁹⁰ Yuba County General Plan, Public Health and Safety, http://www.co.yuba.ca.us/Departments/Community%20Development/Planning/documents/2030%20General%20Plan%20Docs/9_PUBLIC_HEALTH_AND_SAFETY_ELEMENT.pdf

ii. Regional Housing Need Allocation

Regional Housing Need Allocation (RHNA) is the state-mandated process to identify the total number of housing units (by affordability level) that each jurisdiction must accommodate in its General Plan Housing Element. As part of this process, HCD identifies the total housing need for each county. Counties must then develop a methodology to distribute this need in a manner that is consistent with the development pattern as dictated by the Safety Element. Once a local government has received its final RHNA, it must revise its Housing Element to show how it plans to accommodate its portion of the region's housing need. HCD is the state agency responsible for oversight of the RHNA process, and will ensure coordination with the CDBG-DR funds.

7. Resilience to Natural Hazards

Together with HUD, HCD has created a set of guidelines for long-term recovery, which includes strategies to ensure that all selected activities promote long-term resilience. The “2017 California Wildfires Long Term Housing Recovery Toolbox” provides for HCD to offer resilience technical assistance to impacted communities in the rebuilding process, including workshops on resilient construction materials, and develop and disseminate information on the mitigation effects of universal resilient design in the rebuilding and rehabilitation process. HCD will also support local governments in updating their Hazard Mitigation Plans and assist other state agencies in developing strategies to leverage multiple federal funding sources, including Mitigation, to aid in resilient recovery.

CalOES and FEMA developed the “California Wildfires, Floods, & Mudflows: Incident Strategic Plan” (“The Plan”), which summarizes phases of disaster response, including long-term recovery as the final phase. The Plan notes that the Housing Task Force, established by the state and FEMA and inclusive of both short- and long-term committees, will support local jurisdictions in implementation of sustainable and resilient permanent housing solutions that are in line with mitigation priorities. The Plan also discusses the activities of the Joint Hazard Mitigation Branch (HM) that was established in November 2017 to implement long-term mitigation solutions throughout DR-4344, and then DR-4353, recovery. HM, in collaboration with FEMA PA, will insure that selected infrastructure projects include Hazard Mitigation measures wherever possible.

In implementation of mitigation measures, the state will work with existing local recovery plans’ identified mitigation priorities as much as possible. Santa Barbara County, for example, has created a Recovery Strategic Plan, which includes a specific strategy for long-term flood control mitigation in Montecito, and strategy for working with utility providers to rebuild more resilient infrastructure systems. Similarly, Sonoma County issued its draft Recovery & Resiliency Framework in September 2018. HCD will work with local plans to implement most effective and locally vital resilience measures.

8. Leveraging Funds

Over the last three decades, HCD has provided more than \$3 billion in funding for the development of affordable housing and associated infrastructure. As a department, HCD manages non-entitlement programs, providing leadership and policies to preserve and expand safe and affordable housing opportunities and promote strong communities for all Californians. By administering programs that provide grants and loans from both state and federal housing programs, HCD has the opportunity to leverage existing programs, increasing the impact of CDBG-DR funding.

To maximize the impact of the CDBG-DR funding provided to the state, there will be an ongoing commitment to identify and leverage other federal and non-federal funding sources. Further, HCD will utilize existing relationships and strive to create new partnerships with other federal and state agencies, corporations, foundations, nonprofits, and other stakeholders as a means of leveraging all viable sources of funding.

CDBG-DR funds will be used to address critical unmet needs that remain following the infusion of funding from other federal sources, including FEMA and the SBA. Existing state resources and other funds from the disaster appropriation will also be examined in an effort to ensure that all available funding is used where it is most needed.

Furthermore, the state has designed all housing programs in this Action Plan to cover the gap in funding remaining after insurance, private funds, and other assistance has been applied to each project. Understanding the limited funding for recovery, the state will encourage all program applicants to seek out other funding sources to meet their full recovery needs.

The state has authorized many housing programs that may complement the recovery effort. These programs are either competitive or issued based on a formula allocation; no loans or grants are made directly to individual households. Cities, counties, qualified Community Housing Development Organizations, (CHDOs), affordable housing corporations, and other qualified applicants may apply to build more affordable housing in their community to speed recovery. The programs detailed below are currently funded by HCD:

Affordable Housing and Sustainable Communities

Affordable Housing and Sustainable Communities (AHSC)⁹¹ funds land use, housing, transportation, and land preservation projects that support infill and compact development and reduce greenhouse gas emissions. Funds are available in the form of loans and/or grants in two kinds of project areas: Transit Oriented Development (TOD) Project Areas and Integrated Connectivity (ICP) Project Areas. There is an annual competitive funding cycle.

⁹¹ California Department of Housing and Community Development, "Affordable Housing and Sustainable Communities Program (AHSC)" webpage <http://www.hcd.ca.gov/grants-funding/active-funding/ahsc.shtml>

No Place Like Home

NPLH⁹² provides counties with funding to acquire, design, construct, rehabilitate, or preserve permanent supportive housing for persons who are experiencing homelessness, chronic homelessness or who are at risk of chronic homelessness, and who are in need of mental health services. It is funded by \$1.8 billion in bond funding from the Mental Health Services Act. For round two, \$191 million will be distributed by formula allocation to each county based on their 2017 homeless PIT Count, with a minimum allocation per county of \$500,000. Funds will be available through 2021 on a noncompetitive basis.

Supportive Housing Multifamily Housing Program

The Supportive Housing Multifamily Housing Program (SHMHP)⁹³ provides low interest loans to developers of permanent affordable rental housing that contains supportive housing units. The number of supportive units in a project must be at least five, or 35 percent of the total number of units, whichever is greater, and they must have associated supportive services for households that are currently homeless, moving from shelters or transitional housing, or have a specified disability. Funds may be used for new construction, rehabilitation, acquisition and rehabilitation, or conversion of nonresidential structures. Eligible costs include facilities for childcare, afterschool care, and social service facilities integrally linked to the restricted housing units.

Veterans Housing and Homelessness Prevention Program

The Veterans Housing and Homeless Prevention Program (VHHP)⁹⁴ was originally part of a bond passed to fund homeownership programs. The 2008 economic downturn greatly diminished demand for this program and the legislature reshaped the program to fund construction of multifamily housing with 50 percent of the funds reserved for Extremely Low income veterans. VHHP is a competitive program with a current round of \$75 million in the 2018 NOFA.

Building Jobs and Homes Act - Senate Bill 2 Programs

The Legislature passed SB2 to establish a document recording fee to fund specific housing programs. Beginning in 2019, 70 percent of these funds will be locally administered; divided between larger jurisdictions receiving funds directly and non-entitlement jurisdictions competing for funds at the state level. The eligible uses include low income multifamily housing development, capitalization of supportive housing, rehabilitation of foreclosed or vacant homes, moderate income housing programs, homelessness programs, and incentives for permitting new housing.

The remaining 30 percent of funds will be administered between HCD and the California Housing Finance Authority (CalHFA). HCD may use 10 percent for farmworker housing through the SERN program and 5 percent for a production incentive program to encourage local jurisdictions to approve housing permits. CalHFA may use 15 percent of the funds to build middle-income rental housing in mixed-use developments.

⁹² California Department of Housing and Community Development, "No Place Like Home" webpage <http://www.hcd.ca.gov/grants-funding/active-funding/nplh.shtml>

⁹³ California Department of Housing and Community Development, "Supportive Housing Multifamily Housing Program (SHMHP)" website <http://www.hcd.ca.gov/grants-funding/active-funding/shmhp.shtml>

⁹⁴ California Department of Housing and Community Development, "Veterans Housing and Homelessness Prevention Program (VHHP)" webpage <http://www.hcd.ca.gov/grants-funding/active-funding/vhhp.shtml>

The Legislature also placed a \$4 billion housing bond on the November 2018 ballot, known as Proposition 1 “Veterans and Affordable Housing Bond Act.” The first billion dollars in bond proceeds is allocated to CalVet for homes and farm purchase assistance for veterans. The remaining funds will be allocated to HCD:

- \$1.5 billion for Multifamily Housing Program.
- \$450 million for Transit Oriented Development Housing Program (TOD) and Infill Infrastructure.
- \$450 million for CalHome and Building Equity and Growth in Neighborhoods (BEGIN).
- \$300 million for Joe Serna Farmworker Housing Grant (SERNA).
- \$300 million for Local Housing Trust Fund Matching Grant.

FIGURE 88: SUMMARY OF STATE HOUSING RELATED PROGRAMS COMPLEMENTARY TO CDBG-DR

Funding Source	Currently Available	Future Funding	Population Served
Affordable Housing and Sustainable Communities (AHSC) ⁹⁵	NOFA 2017 \$255 million; applications due January 2018; Awards in June 2018	Annually; amount available varies; award max \$20 million	Two types of project areas: Transit Oriented Development and Integrated Connectivity with emphasis on disadvantaged communities
No Place Like Home ⁹⁶	HCD NOFA Fall 2018	\$1.8 billion for multiple funding rounds	Supportive housing for mentally ill persons; housing must have low barrier entry
No Place Like Home (Non-competitive)	HCD NOFA Summer 2018; Rolling application for counties through 2021	\$190 million	Distributed by formula allocation to each county based on their 2017 homeless Point-In-Time Count with a minimum allocation per county of \$500,000.
Supportive Multifamily Housing Program ⁹⁷	The last NOFA was in 2016		Funds may be used for new construction, rehabilitation, acquisition/rehabilitation, or conversion. Eligible costs include facilities for child-care, after-school care, and social service facilities integrally linked to the restricted housing units.
SB 2 – Local funds	70 percent of approximately	83 percent flows to entitlement jurisdictions on quarterly basis	May be used for low income affordable homes; supportive

⁹⁵ idib 93

⁹⁶ idib 94

⁹⁷ idib 95

	\$250 million annually	beginning in 2019; 10 percent allocation to non-entitlement jurisdictions; 7 percent competitive among non-entitlement jurisdictions	housing and homeless programs;
SB 2 – Farmworker	10 percent of approximately \$250 million annually	Available in 2019	
SB 2 – Production Incentive Program	5 percent of approximately \$250 million annually	Available in 2019	
SB 2 – CalHFA Mixed Use	15 percent of approximately \$250 million annually	Available in 2019	
Veterans Housing and Homelessness Prevention Program ⁹⁸ (VHHP)	Current HCD NOFA of \$75 million for multifamily housing construction for veterans	HCD anticipates awarding approximately \$300 million in subsequent years funding rounds.	Veteran multifamily housing; 50 percent reserved for ELI veterans and families
Proposition 1 – Potential Funding November 2018			
Multifamily Housing Program	\$1.5 billion available in multiple rounds of competitive grants	First NOFA likely January 2019	
SERNA Farmworker Housing Program	\$300 million	First NOFA likely December 2019	
Transit Oriented Development Housing Program (TOD) and Infill Infrastructure	\$450 million	NOFA July 2019	
CalHome and Building Equity and Growth in Neighborhoods (BEGIN)	\$450 million	NOFA June 2019	
Local Housing Trust Fund Matching Grants	\$300 million	NOFA August 2019	

Source: Department of Housing and Community Development, 2018

⁹⁸ ibid 96

HCD works with each of the 538 regional governments in California to determine their housing needs and then reviews every city and county's housing plan (the housing element of the general plan) to determine whether the plan complies with state law. HCD also administers several federally funded programs to serve lower income populations. In 2018 HCD has made \$183 million available through the following programs, all of which may be complementary to the recovery effort:

Housing Investments Partnerships Program (HOME)

HOME⁹⁹ assists cities, counties, and nonprofit CHDOs to create and retain affordable housing for lower income renters or owners. HOME funds are available as loans for housing rehabilitation, new construction, and acquisition and rehabilitation of single and multifamily projects and as grants for tenant based rental assistance. At least 50 percent of the amount is awarded to rural applicants and 15 percent is set aside for CHDOs. Funding is announced annually through a Notice of Funding Availability and is available to California communities that do not receive HOME funding directly from HUD.

CalHome Disaster Special Purpose

California's CalHome Disaster Special Purpose program provides grants to local public agencies and nonprofit developers to assist individual home rehabilitation, including manufactured homes not on permanent foundations. Funds can also be used to assist in the development of multiple-unit ownership projects. Northern California counties eligible to receive housing assistance through FEMA Individual Assistance pursuant to Federal Disaster Declaration DR-4344 are eligible to receive these funds. CalHome Disaster Special Purpose funds can only be used as gap financing, which means insurance proceeds or other financing provided for the purpose of repair or reconstruction have been applied to the owner owned rehabilitation or reconstruction prior to CalHome funds being used. CalHome funds cannot be awarded in excess of the homeowner's demonstrated funding need for the rehabilitation or reconstruction of a similarly sized home based on a qualified contractor bid.

National Housing Trust Fund Program

National Housing Trust Fund¹⁰⁰ is a permanent federal program with dedicated source(s) of funding to increase and preserve the supply of affordable housing, with an emphasis on rental housing for extremely low income households (ELI households, with incomes of 30 percent of area median or less). California typically receives approximately \$10 million for this competitive program.

Emergency Solution Grants Program

The Emergency Solution Grants Program (ESG) makes grant funds available for projects serving homeless individuals and families through eligible nonprofit organizations or local governments. ESG funds can be used for supportive services, emergency shelter/transitional

⁹⁹ California Department of Housing and Community Development, "Home Investment Partnership Program (HOME)" webpage <http://www.hcd.ca.gov/grants-funding/active-funding/home.shtml>

¹⁰⁰ California Department of Housing and Community Development, "National Housing Trust Fund Program" webpage <http://www.hcd.ca.gov/grants-funding/active-funding/nhtf.shtml>

housing, homelessness prevention assistance, and providing permanent housing. Funding is announced annually through a Notice of Funding Availability and is available in California communities that do not receive ESG funding directly from HUD.

Figure 89: Summary of Federally Funded Programs Administered by HCD

Funding Source	Funding Available	Future Funding	Population Served	Distribution Method
CalHome disaster special purpose	State funds distributed to 7 DR-4344 counties by HCD April 11, 2018	Approx. \$6 million	Grants to local public agencies and nonprofit developers to assist individual home rehabilitation, including manufactured homes not on permanent foundations	Competitive
Community Development Block Grant-Disaster Recovery	Federal funds distributed to 13 localities named by HUD April 10, 2018	\$124 million distributed to localities in HCD Action Plan	80 percent of funds to “most impacted and distressed”; 70 percent to low income households	HUD approves HCD’s Action Plan
HOME	HUD funds for non-entitlement Cities, counties and CHDOs;	Annually	Low income homeowners and renters; Loans for homeowners to rehabilitate housing or rental assistance to renters	Competitive; 50 percent rural requirement; 15 percent CHDO requirement
National Housing Trust Fund Program	Annually announced via HCD NOFA	Approx. \$10 million annually	Extremely Low Income (ELI) 30 percent of Median Income or less	Competitive application through MHP program

IV. Proposed Disaster Recovery Programs

1. Allocation of Funds

The primary consideration in developing effective CDBG-DR programming is the unmet needs analysis. Programs are developed to address the most severe unmet needs and must be in full compliance with the Federal Register Notice. Therefore, addressing the unmet housing recovery need is the primary focus of the Action Plan. In addition to the unmet need, CDBG-DR funded programs must also consider eligible CDBG activities, must be responsive to CDBG national objectives, must comply with all regulatory guidance issued to HCD, and must consider best practices established through similar recovery initiatives.

Grants under the Appropriations Act are only available for activities authorized under Title I of the Housing and Community Development Act of 1974 related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the Most Impacted and Distressed areas resulting from an eligible disaster. Further, CDBG-DR funds may not be used for activities reimbursable by or for which funds are made available by FEMA, the US Army Corps of Engineers (USACE), or other Federal funding sources.

The allocations for each recovery program are based on the unmet needs analysis, which identified housing as a serious unmet recovery need. HCD opens the Action Plan, and the associated program funding allocations, for public comment in November 2018. Input received from the public comment period will be used to adjust the program allocations, if needed, to be responsive to the needs of impacted residents of the state.

The primary recovery needs include owner occupied housing rehabilitation and reconstruction, rental housing, and infrastructure repair. In accordance with the Federal Register Notice directive to first address the unmet housing recovery need, this Action Plan primarily addresses the housing need, including a portion of CDBG-DR funding of critical infrastructure to ensure that housing recovery is possible in areas where infrastructure damage has prevented housing recovery to date. Therefore, any infrastructure projects funded with this allocation of CDBG-DR funds will have a documented contribution to the long-term recovery and restoration of housing.

These programs are funded proportionate to the anticipated need and after accounting for necessary administrative costs, indirect costs, and planning costs.

The total CDBG-DR allocation set forth in PL 115-123 is \$124,155,000. HCD will set aside five percent of these funds (\$6,207,750) for administrative costs associated with disaster recovery. The remaining \$117,947,250 will be allocated to housing and infrastructure recovery activities. Following the unmet needs analysis, 92 percent of available CDBG-DR funding is allocated to unmet housing recovery needs and 3 percent is allocated to local governments to assist with infrastructure repair.

FIGURE 90: CDBG-DR FUNDING SUMMARY

Program	Unmet Need	Percentage of Unmet Need	Program Allocation	Percentage of Total
Total CDBG-DR Funds	\$1,040,729,043		\$124,155,000	
Administration	N/A	N/A	\$6,207,750	5.0%
Program Allocations	N/A	N/A	\$117,947,250	95.0%
Housing Programs	\$185,906,989	18%	\$114,415,447	92.2%
Infrastructure	\$34,673,327	3%	\$3,531,803**	2.8%
Mitigation	\$470,175,423	45%	N/A*	
Economic Revitalization	\$90,535,222	9%	\$ -	0%
Agriculture	\$259,438,082	25%	\$ -	0%
Total CDBG-DR Funds	\$1,040,729,043	100%	\$ 124,155,000	100.0%
<i>*Mitigation will be addressed in the subsequent mitigation</i> <i>** Funding for PA Match Program is limited to the match required for categories D and F</i>				

At this time, HCD commits to directing 70 percent of allocated CDBG-DR funds to low and moderate income (LMI) individuals or areas in accordance with Section 103 of the Housing and Community Development Act of 1974. Funded activities that do not predominantly benefit LMI persons will address a different national objective and be related to the unmet recovery need. Additionally, HCD commits to directing 80 percent of all CDBG-DR funding to the Most Impacted and Distressed areas as identified by HUD in 83 FR 40314. These Most Impacted and Distressed areas include Sonoma County, Ventura County, and the zip codes 95470, 95901, 94558, 95422, and 93108. A map of the MID areas is available at Figure 7 in Section II, Part 2 of this plan.

Where possible, proposed activities must consider projects or programs that improve hazard mitigation to reduce future losses. Specific code compliance to achieve hazard mitigation, such as WUI codes, will be implemented where applicable according to local code and the unique needs of impacted communities.

FIGURE 91: CDBG-DR PROGRAMS SUMMARY

Summary			Most Impacted and Distressed		LMI Requirements	
Item Breakdown	Total \$	% Total CDBG-DR Funds	Minimum \$ to MID	Maximum \$ Outside of MID	\$ LMI (Minimum)	% LMI (Minimum)
Total CDBG-DR Funds	\$124,155,000	100.00%	\$99,324,000	\$24,831,000	\$86,908,500	70.00%
Administration Costs	\$6,207,750	5.00%	\$4,966,200	\$1,241,550	\$4,345,425	70.00%
Housing Programs	\$114,415,447	92.16%	\$91,532,358	\$22,883,089	\$82,563,075	72.16%
Owner Occupied Rehab and Reconstruction	\$47,627,648	38.36%	\$38,102,118	\$9,525,530	\$34,368,480	72.16%
Multifamily Housing	\$66,787,799	53.79%	\$53,430,239	\$13,357,560	\$48,194,595	72.16%
Infrastructure Program	\$3,531,803	2.84%	\$2,825,442	\$706,361	\$0	0.00%
FEMA PA Match Program	\$3,531,803	2.84%	\$2,825,442	\$706,361	\$0	0.00%

a. Method of Distribution

HCD will distribute grant funds to beneficiaries using one of two methods: 1) HCD administered programs and 2) local government (known as “subgrantees”) administered projects.

b. HCD Administered

HCD will directly operate an Owner Occupied Housing Rehabilitation and Reconstruction Program. HCD will engage impacted homeowners statewide to apply for assistance. HCD will procure a qualified contractor to perform full-scale program management duties to augment HCD capacity and ensure high quality customer service delivery.

c. Subgrantee Administered

Subgrantees will engage with HCD to ensure that local infrastructure recovery and multifamily housing needs are addressed. HCD will establish programs through which subgrantees will apply for funding. HCD will vet projects for CDBG-DR compliance and eligibility, ensuring that proposed projects adhere to federal requirements and the requirements set forth in the Action Plan. HCD will provide monitoring and broad oversight of subgrantee administered funds.

d. Criteria to Determine Method of Distribution

Distribution methods are sensitive to the needs of the affected population as well as the capacity of the units of local government that will engage in the recovery process. Proper distribution ensures that CDBG-DR funds will be used to maximum benefit to address unmet housing recovery and infrastructure repair needs.

HCD assessed its internal capacity during the capacity assessment required by the Federal Register Notice. The capacity assessment concluded that, with organizational and staffing adjustments at HCD, a large statewide program could be successfully operated and administered directly by HCD.

HCD also assesses the capacity of local governments to administer CDBG-DR funded programs during recovery planning and coordination discussions. These assessments concluded that local governments are best positioned to operate and manage project specific funding related to infrastructure repair and multifamily housing.

e. Program Allocations

Allocations for the recovery programs are based on needs as identified through an analysis of FEMA IA and FEMA PA claims. As shown, the unmet needs outweigh the CDBG-DR funds allocated by HUD. HCD based all decisions on data and the needs of the impacted areas.

For housing, funds for the owner occupied housing recovery program were determined based on the unmet housing recovery need for homeowners. The state will prioritize homeowners based on tiers, which are outlined in Figure 92 below. The multifamily program allocation was developed by using the allocations which are based on the dollar amount of FEMA IA assistance for rental households in counties and entitlement areas.

Infrastructure funding is allocated according to the FEMA PA match requirement for PA categories D (water control facilities) and F (Utilities). These unmet recovery needs closely align to the housing recovery need. The objective of the PA Match Program is to fully meet the match for D and F projects in impacted areas, and therefore the allocation for infrastructure recovery is equal to this match need.

f. Unmet Needs

According to the unmet needs analysis, housing presents the greatest unmet recovery need beside mitigation and agriculture recovery. In anticipation of future mitigation funds in accordance with PL 115-123, this Action Plan does not address the mitigation need directly. Other state and local resources will be assessed to address the agriculture unmet need. The analysis detailed in Section II – “Needs Assessment” identifies the methodology and results of the unmet needs relative to housing, infrastructure, and economic recovery.

2. Housing Recovery Programs

HCD proposes two housing recovery programs to address the unmet recovery need: an Owner Occupied Housing Rehabilitation and Reconstruction Program and a Multifamily Housing Program.

Together, the housing programs will receive \$114,415,447 of the received CDBG-DR funds. This represents approximately 92 percent of the CDBG-DR funds allocated in PL 115-123 to the State of California. The unmet needs analysis identified a total housing unmet recovery need of \$185,906,989 for both owner occupied and rental dwellings.

The interest survey will inform the need for additional programming considerations, such as funding small rental recovery programs and homeowner reimbursement payments from the allocation of owner occupied recovery programming.

FIGURE 92: TOTAL UNMET HOUSING RECOVERY NEED

Category	Total Impact	Resources Available	Unmet Need (Total Impact Less Applied Resources)
Housing	\$209,630,395	\$23,723,406	\$185,906,989

a. Owner Occupied Housing Rehabilitation and Reconstruction Program

The primary objective of the Owner Occupied Housing Rehabilitation and Reconstruction Program is the provision of decent, safe, and sanitary housing in the areas impacted by the October and December 2017 disasters. Additionally, the program is designed to ensure that the housing needs of very low, low, and moderate-income households and vulnerable populations are addressed to the greatest extent feasible. Furthermore, the program aims to not only to address disaster-related damages but also to mitigate potential future damage.

The program will provide rehabilitation or reconstruction assistance to eligible applicants based on the extent of damage to their primary residences. Reconstruction is permissible where the total cost of rehabilitation is greater than the cost to reconstruct or where rehabilitation is otherwise technically infeasible. The maximum amount of assistance is \$150,000 per damaged structure, after applying any duplication of benefits to the cost of the total rehabilitation or reconstruction. As a standard practice, program applicants requiring more than the \$150,000 cap on assistance must fund the remainder of their project with private funds or other resources; however, exceptions to the maximum award will be considered on a case-by-case basis. In situations where the applicant has a demonstrable hardship, the specific conditions will be evaluated to determine how best to proceed. A definition of demonstrable hardship, along with criteria for documenting such hardship, will be included in the program guidelines.

Eligible Activity

42 USC 5305(a)(4) authorizes the clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for

reconstruction or rehabilitation, and reconstruction or rehabilitation, of privately owned properties, and including the renovation of closed school buildings). Additionally, the state will incorporate the waivers and alternative requirements in Federal Register notices 83 FR 5844 and 83 FR 40314.

National Objective

In accordance with 24 CFR 570.208, all CDBG-DR funded activities must satisfy a national objective. All Owner Occupied Housing Rehabilitation and Reconstruction activities will meet either the urgent need or LMI housing national objective criteria related to disaster recovery. However, the prioritization criteria for participation in the program will ensure that sufficient housing recovery programming will be directed toward LMI beneficiaries.

Delivery

The Owner Occupied Housing Rehabilitation and Reconstruction Program is delivered at the state level. The application process will invite impacted residents statewide to apply for assistance. The state will procure a qualified contractor to perform full scale program management duties. Applicants will have assigned case managers to support them through the recovery process from application to construction and project closeout.

Applicant Eligibility

Applicants will be eligible to participate in the program if they meet the following criteria:

- Must have owned the damaged home at the time of the qualifying disaster.
- Must have occupied the home as their primary residence at the time of the qualifying disaster.
- The home must have been damaged as a result of the qualifying disaster and located in an impacted county or zip code.
- Must be current on property taxes or have an approved payment plan or tax exemption.
- The property must be a single-family dwelling (i.e. not a condominium, duplex, fourplex, or other multi-owner property).

The survey period will inform the use of owner occupied recovery funds to pay for homeowner reimbursement payments. If significant need for reimbursements is identified, reimbursements may be paid through the owner occupied recovery program. If a decision is made to fund reimbursement, applicants who began work after the disaster on their own initiative would be eligible for reimbursement payments for eligible costs incurred up to a year after the disaster. Reimbursement payments will follow the guidance issued by HUD in CPD-15-07¹⁰¹. Full eligibility criteria will be provided in the program guidelines.

The survey period will also inform the use of program funds to fund recovery of small rental property. Small rental recovery provided by HCD will provide assistance to renters that are the owner of record at the time of the disaster. Properties must meet the following conditions:

¹⁰¹ HUD CPD Notice 15-07, "Guidance for Charging Pre-Application Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants" <https://www.hudexchange.info/resources/documents/Notice-CPD-15-07-Guidance-for-Charging-Pre-Application-Costs.pdf> September 2015

- Properties containing between one and four dwelling units prior to DR-4344 or DR-4353. A dwelling unit is defined as having complete independent living facilities for one or more persons, including permanent provisions for living, sleeping, eating, cooking and sanitation.
- Properties located in disaster impacted areas.
- Properties that sustained damage as a result of the qualifying event.
- Properties that have access to water, sewer, and electricity.

Rent to own, lease to own, or bond for deed properties are not eligible for assistance. Usufruct cases will be assessed by HCD on a case by case basis for eligible participation.

Rental units providing affordable rents to low to moderate income renters will receive funding priority.

Applicant Prioritization

Program applicants will be prioritized in accordance with the tiers outlined below. In addition to the prioritization methodology, funding decisions will account for the requirement to expend 80 percent of the grant in HUD designated Most Impacted and Distressed areas as well as the requirement for 70 percent of the total CDBG-DR funding to benefit LMI populations. Applicant prioritization criteria will be assessed during a survey of potential program applicants.

FIGURE 93: OWNER OCCUPIED HOUSING RECOVERY APPLICANT PRIORITIZATION

Applicant Prioritization Tiers				
	Geography		Owner-occupant Household Income	
	7 Most Impacted Counties and Zip Codes Only	All Areas That Received a Federal Disaster Declaration	LMI Only	All Incomes
Tier 1	X		X	
Tier 2		X	X	
Tier 3	X			X
Tier 4		X		X

Within each tier, owner occupied households with a household member that is disabled or has access or functional needs are given priority.

Eligible and Ineligible Costs

Eligible scopes of work and eligible costs include:

- Permitting, design, and planning.
- Reasonable relocation payments directly to displaced owners during construction.
- Replacement of damaged or destroyed necessary equipment, such as HVAC units.
- Repairs to disaster damaged primary structures.
- Reconstruction of the disaster damaged primary structure.

- Upgrades required to meet code.
- Handicap accessibility features (if applicable and substantiated by a doctor's recommendation).
- Lead-based paint and asbestos abatement (if applicable).

Ineligible items include:

- Repair or replacement of auxiliary structures, such as detached garages or storage units.
- Multifamily, condominiums, duplexes, fourplexes or other rental property.
- Repair or replacement of luxury or non-critical items, such as swimming pools and security systems.
- Repair or replacement of personal property or building contents.
- New home purchase or new construction off-site of the damaged structure.
- Mortgage payment assistance.
- Rental payment assistance.

Form of Assistance

Assistance is provided in the form of a grant directly to qualifying applicants after a contractor has been selected to perform the scope. The scope of work is determined by a site inspection performed by qualified construction estimators. Once the scope of work has been determined, the applicant signs a three-party construction agreement between the applicant, contractor, and HCD. The assistance is provided on a reimbursement basis via two party check to the applicant and the contractor engaged to perform the work.

Timeline

The Owner Occupied Housing Rehabilitation and Reconstruction Program is expected to commence in Quarter 2 of 2019 and remain operational through the end of the grant term.

Construction timeframes vary depending on whether the applicant is rehabilitating or reconstructing their property. Typical timeframes for reconstruction are 240 to 360 days from permitting to final inspection. Typical construction timeframe for rehabilitation are 120 to 180 days from permitting to final inspection. Routine and periodic milestone inspections will be performed by construction monitors to ensure timely completion of construction scopes in accordance with construction plans and industry standards for safety and craftsmanship.

Unmet Needs

The unmet needs analysis indicated that the owner occupied recovery need is less than the rental housing recovery need. Therefore, of the two housing recovery programs, the Owner Occupied Housing Rehabilitation and Reconstruction Program is funded less than the Multifamily Program, which will address the unmet rental need. The Owner Occupied Housing Rehabilitation and Reconstruction Program will receive \$47,627,648 of the total CDBG-DR allocation.

The public comment period will be used to better inform housing needs and may adjust program funding levels.

FIGURE 94: UNMET OWNER OCCUPIED HOUSING RECOVERY NEED

Category	Identified Unmet Need	CDBG-DR Funded
Owner Occupied Housing Recovery	\$77,387,388	\$47,627,648

b. Multifamily Housing Program

Multifamily housing projects are funded to meet the unmet rental housing need. Multifamily projects include apartment complexes and mixed-use developments. The objective of the CDBG-DR funds is to provide necessary gap financing for large scale housing developments.

Program guidelines will be established that outline the requirements of the program and rules for specific projects, including general eligibility, specific eligible and ineligible costs, and the criteria for evaluating project proposals. In addition, the guidelines will outline requirements relative to a minimum percentage of affordable units, the percentage of affordable versus market rate units, requirements for permanent supportive housing units, as well as the per unit maximum.

HCD will leverage internal resources and procure a consultant to provide technical assistance, while maintaining the responsibility of overseeing the program and compliance of individual projects. Local jurisdictions will be responsible for the implementation and oversight of approved projects.

Per unit maximum assistance will be consistent with HOME limits established by HUD for each participating jurisdiction. These limits are found in 83 FR 25683¹⁰². If HUD has issued a regional per-unit subsidy increase for the participating subgrantee, the alternative subsidy amount may be used, up to 240 percent of the HOME subsidy limit. The minimum threshold for multifamily housing project participation is a total project cost of \$250,000 a project.

FIGURE 95: PER UNIT CDBG-DR FUNDING LIMIT

Bedrooms	CDBG-DR Funding Limit/Unit
0	\$61,28
1	\$70,250
2	\$85,424
3	\$110,512
4+	\$121,307

Eligible Activity

42 USC 5305(a)(4) authorizes the clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for

¹⁰² HUD Exchange, "HUD Home Per-Unit Subsidy Limits," <https://www.hudexchange.info/resource/2315/home-per-unit-subsidy/>

reconstruction or rehabilitation, and reconstruction or rehabilitation, of privately owned properties, and including the renovation of closed school buildings).

The eligibility of housing projects is further established in 83 FR 40315, which requires grantees to address unmet housing recovery needs with CDBG-DR funds.

National Objective

In accordance with 24 CFR 570.208, all CDBG-DR funded activities must satisfy a national objective. For the multifamily program, all projects will meet the low to moderate income housing national objective.

Allocation Methodology

Funding is available to subgrantees based on a formula to determine a proportionate share of the total program allocation based on the impacts to that jurisdiction. HCD used a methodology to calculate the allocations based on the FEMA IA applicants below 120 percent AMI with a FEMA Verified Loss (FML) greater than \$0 with a Major High, Major Low, or Severe damage designation. The sum of the FEMA IA funds disbursed for each subgrantee's jurisdiction divided by the total unmet need for rental housing is the proportionate share of funding. This allocation also ensures that nearly 95 percent of multifamily housing recovery funds are spent in MID areas.

FIGURE 96: MULTIFAMILY HOUSING RECOVERY BY SUBGRANTEE ALLOCATION

Allocation Summary	Total \$	\$ to MID	% to MID	\$ Outside of MID	% Outside of MID
Sonoma County	\$4,698,809	\$4,698,809	100%	\$0	0%
<i>City of Santa Rosa</i>	\$38,469,772	\$38,469,772	100%	\$0	0%
Ventura County	\$2,756,047	\$2,756,047	100%	\$0	0%
<i>City of Ventura</i>	\$4,601,064	\$4,601,064	100%	\$0	0%

Allocation Summary	Total \$	\$ to MID	% to MID	\$ Outside of MID	% Outside of MID
Mendocino County	\$6,591,778	\$6,235,730	95%	\$356,048	5%
Yuba County	\$1,666,091	\$1,622,677	97%	\$43,413	3%
Napa County	\$420,094	\$0	0%	\$420,094	100%
<i>City of Napa</i>	\$2,889,774	\$2,851,517	99%	\$38,257	1%
Lake County	\$1,157,983	\$1,114,570	96%	\$43,413	4%
Santa Barbara County	\$588,504	\$57,028	10%	\$531,476	90%
<i>City of Santa Barbara</i>	\$848,011	\$848,011	100%	\$0	0%
Butte County	\$679,013	\$0	0%	\$679,013	100%

Los Angeles County	\$590,987	\$0	0%	\$590,987	100%
Nevada County	\$424,028	\$0	0%	\$424,028	100%
San Diego County	\$405,845	\$0	0%	\$405,845	100%
<i>Total</i>	<i>\$66,787,799</i>	<i>\$63,255,225</i>	<i>94.71%</i>	<i>\$3,532,575</i>	<i>5.29%</i>

Delivery

The Multifamily Housing Program is administered and monitored by HCD. However, CDBG-DR funds are subgranted to local governments. Subgrantees will operate the approved multifamily housing project(s) in accordance with their local requirements, the established program guidelines, and as set forth in a Standard Agreement between HCD and the subgrantee. HCD will provide technical assistance to ensure compliance with CDBG-DR requirements and consistency with the program guidelines.

Eligibility

Eligibility of multifamily housing project proposals will be assessed by HCD. Specific eligibility criteria include:

- The proposed project must be located in a Most Impacted and Distressed area, or otherwise have been impacted by DR-4344 or DR-4353.
- The proposed project must identify a satisfactory proportion of affordable units.
- All sources of funding required to complete the project must be identified and secured or readily accessible.
- The proposed project must be cost reasonable.
- The proposed project must not exceed the HOME per-unit subsidy limit.

Prioritization

Evaluation criteria will be fully defined in the program guidelines; however, prioritization will ultimately occur at the local level through the selection of projects to propose to HCD for funding.

Eligible and Ineligible Costs

Selected projects will be funded through completion in accordance with their financing needs. Alternate forms of funding, such as private investment, must be expended before CDBG-DR funds are released. Complete lists of eligible and ineligible costs will be provided in the program guidelines.

Eligible costs include:

- Architectural and engineering design.
- Permitting fees.
- Developer fees.
- Mobilization, site prep, and clean up.
- Construction costs.

Ineligible costs include:

- Pre-proposal costs and proposal development costs.
- Land acquisition costs.
- Advances on construction.
- Facility operating or maintenance expenses.

HCD reserves the right to question the applicability and eligibility of costs on a per-proposal basis.

Form of Assistance

Selected proposals will be funded on a reimbursement basis via a Standard Agreement between HCD and the subgrantee. Specific payment terms and conditions are outlined in the Standard Agreement.

Timeline

The multifamily housing program is expected to launch in Quarter 2 of 2019. Proposals are expected to be submitted by Quarter 4 of 2019 for selection and construction will continue through the end of the grant term, or until all projects are complete and funds are expended. Individual construction timeframes will be specific to each selected proposal.

Unmet Needs

The unmet needs analysis indicated that the need for rental housing recovery is greater than the need for owner occupied housing recovery. Multifamily housing projects will be funded to address the unmet housing recovery need. Of the \$114,415,447 identified to address the housing recovery need, \$66,787,799 will be used to address the rental housing recovery need through multifamily housing development.

FIGURE 97: UNMET RENTAL HOUSING RECOVERY NEED

Category	Identified Unmet Need	CDBG-DR Funded
Rental Housing Recovery	\$108,519,601	\$66,787,799

3. Infrastructure Recovery Programs

a. FEMA-Public Assistance Match Infrastructure Program

HCD will provide impacted local governments funds to ensure that critical utility and water control infrastructure recovery needs are met. CDBG-DR funds will be used to fund the non-federal share match on approved FEMA Public Assistance (PA) projects. At this time, the program will only fund the local portion of the non-federal share match for FEMA categories D (water control facilities) and F (utilities) that are clearly established by the potential subgrantee to further the housing recovery process. Other categories, such as C (roads and bridges) may be funded, if tied back to the disaster and additional funds are made available. Some damaged public utilities are critical to the restoration of housing services in impacted areas. Examples of potential PA Match projects include, but are not limited to, sewer and water systems necessary to complete housing recovery.

HCD understands that FEMA PA match amounts are ever changing and will continue to assess the fund allocated to this program.

Program guidelines will be established that outline the requirements of the program and rules for specific projects, including general eligibility, specific eligible and ineligible costs, and the criteria for evaluating project proposals.

HCD will leverage internal resources and procure a consultant to provide technical assistance, maintaining the responsibility of overseeing the program and compliance of the individual projects. Local jurisdictions will be responsible for implementation and oversight of approved projects.

HCD reviews proposals for the use of funds with local governments and provides technical assistance and oversight to ensure that local governments receiving funds execute their infrastructure recovery effectively. All funded projects will be approved by HCD before funds are sub-granted. The limit of PA Match funds for each participating subgrantee is determined by the confirmed amount of required match.

Eligible Activity

Infrastructure repair is an eligible activity according to 42 USC 5305(a)(2), which authorizes the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements.

In addition, CDBG-DR funds may be used as the non-federal cost share match for FEMA-PA projects.

National Objective

PA Match funded projects do not relieve the necessity of meeting a CDBG national objective and must also meet applicable CDBG-DR requirements. PA Match funding requires a case-by-case analysis of FEMA-PA project worksheets as well as the funding scenario for the local government.

HCD funds infrastructure repair based on the urgent need national objective. It is the responsibility of the local government to substantiate urgent need as part of its proposal to HCD.

Allocation Methodology

HCD will make funding available to impacted jurisdictions based on the local match requirement for FEMA PA Category D and F projects. The maximum assistance allowable per project is the amount necessary to meet the match requirement on a project-by-project basis based on the funding cap for each county. FEMA PA Match program funding may be increased to fund additional D and F projects, based on information received from FEMA, CalOES, and local municipalities impacted by disaster.

FIGURE 98: PA MATCH PROGRAM ALLOCATION BY SUBGRANTEE ALLOCATION

Allocation Summary	FEMA PA Match (D&F Only)
Lake County	\$6,637
Los Angeles County	\$0
Mendocino County	\$18,770
Napa County	\$309,660
Nevada County	\$0
Orange County	\$1,446
San Diego County	\$0
Santa Barbara County	\$472,780
Sonoma County	\$1,238,072
Ventura County	\$1,470,533
Yuba County	\$13,905
Total	\$3,531,803

Delivery

HCD will establish an application phase for impacted municipalities to request funding to satisfy PA Match. HCD will provide technical assistance and coordinate closely with local governments during the application phase.

Once proposals have been reviewed, HCD will provide funds to subgrantees for the delivery of infrastructure repair programming in accordance with a Standard Agreement with the local government. As projects are selected, HCD will continue to provide technical assistance and completes regular monitoring throughout the project lifecycle.

Eligibility

Proposed projects will be assessed by HCD. Specific eligibility criteria include:

- The proposed project must be located in a Most Impacted and Distressed area, or otherwise have been impacted by DR-4344 or DR-4353.
- The proposed project must be approved for FEMA PA funds.
- All sources of funding required to complete the project must be identified and secured or readily accessible.
- The proposed project must relate to infrastructure necessary to continue addressing the housing recovery need.

Prioritization

Evaluation criteria will be fully defined in the program guidelines; however, prioritization will ultimately occur at the local level through the selection of projects to propose to HCD for funding.

Eligible and Ineligible Costs

CDBG-DR funds may fund the following activities:

- Required FEMA PA local non-federal share match funding for approved projects under FEMA categories D (water control facilities) and F (utilities), including repair, replacement, or relocation of damaged public utilities, such as power lines, gas lines, and sewer and water lines.
- Other FEMA PA non-federal share match funding for categories other than D and F, such as category C (roads and bridges), if additional funding is made available.

Ineligible costs include:

- Required FEMA PA match funding for approved projects under categories other than D (water control facilities) and F (utilities).
- Increases in scope or modifications to PA projects.
- Repair or replacement of private roads and bridges.
- Repair, replacement, or relocation of public utilities not directly damaged by a qualifying disaster and not necessary for the repair or reconstruction of damaged housing.

Timeline

The application period will open in Quarter 2, 2019. Applications will be accepted, and technical assistance will be provided for 120 days, or until sufficient proposals are received and approved to expend the entire allocation of FEMA PA Match funds. Individual project completion timeframes will be determined on a case-by-case basis with the subgrantee, in accordance with their agreement.

Unmet Needs

Funding PA Match for infrastructure recovery is consistent with the requirement to address housing recovery needs first. Necessary infrastructure recovery must be complete before housing recovery is complete. The unmet needs assessment identified \$3,270,188 to address the required match for PA categories D and F. Of the CDBG-DR funds received, \$3,531,803 will be used for PA Match, which includes an estimated 8 percent of the total provided for match to cover associated activity delivery costs.

FIGURE 99: UNMET INFRASTRUCTURE RECOVERY NEED

Category	Identified Unmet Need (PA Only)	CDBG-DR Funded
Infrastructure Recovery	\$3,270,188	\$3,531,803

4. Economic Revitalization Programs

HCD acknowledges the unmet economic recovery need. However, as housing recovery remains the priority for CDBG-DR funds, there are no funds currently allocated to administering an economic recovery program. If program needs change or additional funds become available, an economic recovery program may be developed to leverage CDBG-DR funds to provide economic recovery in disaster impacted areas.

HCD proposes two programs to address the unmet economic recovery need: 1) Workforce Recovery, and 2) Small Business Recovery.

a. Workforce Recovery Program

The primary objective of the Workforce Recovery Program is to prepare low-moderate income participants with skill sets to contribute to California's ongoing recovery effort. The Workforce Recovery Program partners with existing workforce training programs and providers to deliver free training to eligible participants. Eligible participants will be trained in construction trades to assist in the recovery effort to speed initiatives to completion and to provide ongoing economic benefits to LMI residents.

Program guidelines will be established that outline the requirements of the program and rules for specific projects, including general eligibility, specific eligible and ineligible costs, and the criteria for evaluating project proposals.

Eligible Activity

Title I of the HCD Act 105(a)17 authorizes economic revitalization as an eligible CDBG-DR funded activity. Additionally, economic revitalization is specifically mentioned as an eligible use of CDBG-DR funds in the Federal Register Notice 83 FR 5844.

National Objective

In accordance with 24 CFR 570.208, all CDBG-DR funded activities must satisfy a national objective. The Workforce Recovery meets the benefit to low-to-moderate income jobs.

Allocation Methodology

No program funds are currently allocated to the Workforce Development Program.

Delivery

The program is monitored at the state level but is delivered and administered through the use of local not-for-profit organizations acting as subrecipients to HCD. A Notice of Funding Availability will be used to solicit application for funding from local workforce development and training organizations.

Eligibility

Workforce Recovery Program applicants must demonstrate that 51 percent of their current program participants are LMI or that they will establish a program in which 51 percent of their participants are LMI. The applicant must demonstrate a sufficient pass/fail rate and demonstrate evidence of competitive advantage from completing a course of study, including employment records or a record of application for employment to relevant fields.

Prioritization

In accordance with HUD requirements, 80 percent of available funding is expended in the Most Impacted and Distressed areas. Additionally, programs that are located in LMI areas and those with a history of success will be prioritized. Prioritization criteria will be fully defined in the NOFA.

Eligible and Ineligible Costs

Qualifying workforce development programs are reimbursed for salaries and benefits for instructors, operating costs for educational programming, supplies, materials, and required equipment. Workforce recovery programming includes, but is not limited to, training in the following areas:

- Masonry
- Roofing
- Carpentry
- Concrete and flatwork
- Plumbing
- Heating, Ventilation, and Air Condition (HVAC);
- Electricity
- On-the-job Training (OJT)

Form of Assistance

Qualifying organizations receive funding from HCD to execute programming or as a reimbursement for costs incurred.

b. Small Business Recovery Program

The primary objective of the Small Business Recovery Program is to provide funding to eligible small businesses located within impacted areas to assist them with ongoing operations and speed their recovery. Assistance is issued to qualifying small businesses to reimburse the costs of lost or damaged inventory, stock, and equipment.

Program guidelines will be established that outline the requirements of the program and rules for applicants, including general eligibility, specific eligible and ineligible costs, and the criteria for evaluating applications.

Eligible Activity

42 USC 5305(a)(17) authorizes the provision of assistance to private, for profit entities, when the assistance is appropriate to carry out an economic development project (that shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods).

National Objective

The Small Business Recovery Program will meet the LMI national objective. The creation and retention of jobs for LMI individuals will be monitored to demonstrate compliance.

Allocation Methodology

No program funds are currently allocated to the Small Business Recovery Program.

Delivery

The Small Business Recovery Program is implemented at the state level. Affected small businesses apply to HCD for assistance and are provided up to \$50,000 for recovery needs including repair or replace damaged equipment, stock, and materials lost due to the disaster.

Eligibility

Small Business Recovery Program applicants must conform to Small Business Administration (SBA) industry-specific definitions for small businesses. Applicants must demonstrate adverse impacts from the disaster, including damage or loss to equipment, stock, and materials necessary for ongoing business continuity. Assistance is provided after an analysis of duplication of benefits.

Prioritization

Prioritization first accounts for expending grant funds in the Most Impacted and Distressed areas. Applications for assistance are prioritized in the order in which they are received. Applicants that are not responsive or found to be ineligible are moved off the list after due diligence by their assigned case manager. If funds remain after serving the Most Impacted and Distressed areas, qualifying applicants outside of the Most Impacted and Distressed areas may be served.

Eligible and Ineligible Costs

Eligible costs include:

- Payment for working capital.
- Replacement of inventory or stock destroyed by the qualifying event.
- Replacement of supplies and materials needed for business continuity.

Ineligible costs include:

- New equipment that serves as an upgrade to undamaged property or did not exist prior to the qualifying event.
- Unsubstantiated or unsupported costs.
- Construction activities

Form of Assistance

Qualifying applicants receive assistance from HCD as a deferred forgivable loan to execute programming or as a reimbursement for costs incurred. All costs are reviewed by the program to ensure eligibility.

5. Remaining Unmet Needs

Additional unmet recovery needs persist in impacted areas of the state. These unmet recovery needs include agricultural losses reported by locally impacted entities. However, in focusing on housing recovery needs, these remaining unmet needs are unaddressed by this Action Plan. If additional funds become available or there is the ability to reprogram existing funds, remaining unmet needs may be addressed with CDBG-DR funds.

HCD commits to working to identify additional sources of funds that may contribute to the unaddressed unmet needs of impacted individuals and areas to speed the full recovery of the State of California.

6. Long-term Commitments

HCD commits to funding activities that address long term recovery and restoration of housing and infrastructure in the Most Impacted and Distressed areas. HCD leverages partnerships at

the local level to ensure that subgrantees share a commitment and responsibility to long-term recovery and future disaster risk reduction.

V. Citizen Participation

The following Citizen Participation Plan has been developed in compliance with § 24 CFR 91.115 and applicable HUD requirements to enumerate citizen participation policies and procedures as they relate to this Action Plan. The plan is intended to maximize the opportunity for citizen involvement in the planning and development of the California CDBG-DR recovery program—including proposed program activities and amount of funding.

The goal of the Citizen Participation Plan is to provide residents impacted by DR-4344 and DR-4353 with opportunities to participate in the planning and continued assessment of HCD's CDBG-DR recovery programs.

HCD has prioritized a robust citizen participation process to ensure all citizens and stakeholders are provided the opportunity to contribute to and understand their recovery process. Stakeholder briefings were held with all impacted jurisdictions over the course of September and October 2018, providing forums for structured conversations directly with key stakeholders to inform them on the basics of CDBG-DR funds, assistance being considered for their communities, the methods and means by which such assistance may be provided, and general process and timeline.

Round I public meetings were held in October 2018. Targeting the most impacted geographies, three meetings were held in Northern California and two in Southern California. Round I welcomed citizens into a conversation and provided a briefing to communities on the timeline, process, and eligible uses of CDBG-DR funding.

Round II public meetings will be held in coordination with the Action Plan public comment period. With the draft Action Plan published for public comment, Round II meetings will allow for in-person dialogue about the proposed method of distribution, allocations, and programs.

1. Publication

Before the adoption of this Action Plan or any substantial amendments, HCD will publish the proposed plan or amendment on the CDBG-DR Action Plan webpage (<http://www.hcd.ca.gov/community-development/disaster-recovery-programs/cdbg-dr.html>). The webpage will include links to the Action Plan, Action Plan amendments, citizen participation requirements, and activity/program information for activities described in the act Action Plan, including details of all contracts and ongoing procurement policies. The webpage will also store every HUD Quarterly Performance Report (QPR), with information accounting for how funds are being used and managed.

The Action Plan will be available for public review and comment for thirty (30) days from November 13 through December 12, 2018. The published Action Plan will be readily accessible to all citizens, public agencies, and other interested parties. HCD will ensure accessibility by

notifying citizens through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, newsletters, contacts with neighborhood organizations, and/or through social media. HCD will ensure that all citizens have equal access to information about the programs, including persons with disabilities (vision and hearing impaired) and LEP. A Spanish version of the Action Plan will also be available. HCD consulted the “Final Guidance to Federal Financial Assistance Recipients Regarding Title VI, Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons,” published on January 22, 2007, in the Federal Register (72 FR 2732), to comply with citizen participation requirements. A summary of all comments received during the public comment period will be noted and summarized in the final Action Plan.

2. Consideration of Public Comments

Citizens will have thirty (30) days to review and provide comments on the Action Plan. HCD will consider all public comments received in writing, via e-mail, or delivered in person at official public hearings regarding this Action Plan or any substantial amendments. HCD will make public comments available to citizens, public agencies, and other interested parties upon request.

To ensure citizens have equal access and opportunity to provide comments on the Action Plan, HCD will post notices and work with local governments to ensure outreach to impacted residents and vulnerable populations. Additionally, HCD conducted a four factor analysis to determine populations with Limited English Proficiency, will translate pertinent materials into Spanish, and have American Sign Language (ASL) interpreters available and a Spanish language translator at every meeting. HCD will also provide translation services for additional languages if requested in advance.

3. Citizen Complaints

HCD will provide a timely response to citizen complaints. Citizens may file a written complaint or appeal through the Disaster Recovery email: DisasterRecovery@hcd.ca.gov or to HCD's Resilience and Recovery Specialist: susan.naramore@hcd.ca.gov. Citizens may also submit complaints by postal mail to the following address:

ATTN: Susan Naramore
Specialist - Resilience and Recovery / NDR Project Manager
Housing & Community Development
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833

The response will be provided within 15 working days of the receipt of the complaint, if practicable.

4. Substantial Amendment

HCD will engage citizens throughout the disaster recovery program to maximize the opportunity for input on proposed program changes that result in a substantial amendment. Substantial Amendments are characterized by either an addition or deletion of any CDBG-DR funded program, any funding change greater than \$3 million of the CDBG-DR allocation, or any change

in the designated beneficiaries of the program. Substantial amendments will be available on the State of California CDBG-DR Action Plan website (<http://www.hcd.ca.gov/community-development/disaster-recovery-programs/cdbg-dr.html>) for public review and comment for at least 30 days before finalization and incorporation into the comprehensive Action Plan. A summary of all comments received will be included in the final Substantial Amendment submitted to HUD for approval.

5. Non-substantial Amendment

Non-substantial Amendments are minor, administrative changes that do not materially alter activities or eligible beneficiaries. Any such amendments will be presented to HUD five days prior to incorporation in the comprehensive Action Plan.

Every amendment to the Action Plan (substantial and non-substantial) will be numbered and posted on the HCD website.

6. Community Consultation

To ensure HCD sufficiently assesses the recovery needs of all areas affected by the disasters, HCD consulted with Indian Tribes, local governments, federal partners, nongovernmental organizations, the private sector, and other stakeholders and affected citizens, in the surrounding geographic area to ensure consistency of the Action Plan with applicable regional redevelopment plans.

a. Tribal Consultation

HCD reached out to leaders from 87 tribes via mail and email in August and September 2018 (a complete list of tribes contacted can be found in Appendix B) to determine the following:

- Facility damage (emergency shelters, transitional shelters, supportive housing, or housing for elderly/disabled).
- Impacts to alternatively housed communities, including homeless encampments, single room occupancy buildings, migrant housing, or other.
- Increase in client volume because of the disaster.

Among impacted Tribal governments, the Robinson Rancheria of Pomo Indians tribe reported numerous indirect impacts related to DR-4344. They housed 75 members of the neighboring El Em Indian Colony who were displaced by the Sulphur Fire, and reported that the families of five tribal members who lived off reservation were affected by the Redwood Valley Fire. The Tribe reported that their main impact was lost revenue related to their hotel and casino. Losses were due to housing firefighters, members of their tribe and sister tribe, and cancelled reservations due to poor air quality. The Middletown Rancheria Band of Pomo Indians tribe reported physical damage to the Tribe-owned Pine Casino & Hotel due to smoke and ash, with repairs covered by insurance beyond a \$10,000 deductible.

b. Stakeholder Consultation

HCD staff traveled around the state and visited each of the HUD identified most impacted and distressed areas. At these meetings, participants were given a brief overview of the proposed program with an opportunity to ask any questions of staff. Most of the meeting was open dialogue with local government officials, community leaders, and nonprofit organizations asking questions and HCD staff providing responses. Key questions and concerns that were raised during these meetings are described below.

c. Local Government Consultation

HCD has met consistently with the local governments and housing authorities for all impacted areas allowing for point-in-time updates to the public to be directed through local governments informing citizens of the basics of CDBG-DR funds, assistance they may be eligible to receive, and general process and timeline. HCD leveraged existing networks and meeting schedules to ensure engagement was convenient. In each impacted area HCD met with public officials, government departments, government agencies, community foundations, and non-profit organizations. HCD also attended community planning/recovery visioning discussions, Board of Supervisors meetings, City Council meetings, and neighborhood/community organization meetings.

d. Public Meetings

HCD held Round I of public meetings during Action Plan development to both provide an overview of the Action Plan process and collect input from impacted citizens and community leaders. Round II of public meetings will be held in concert with the draft Action Plan public comment period. All public hearings were publicized by HCD as well as local government partners in the applicable jurisdictions. This series of meetings commenced on October 2, 2018 and concluded on October 11, 2018. The meeting schedule ran as follows:

- I. October 2, 2018 – City of Santa Rosa, Napa, and Sonoma counties
City of Santa Rosa Utilities Field Operations Center
Santa Rosa, CA
6-8pm
- II. October 3, 2018 – City of Clearlake, Mendocino and Lake counties
Redwood Valley Grange
Redwood Valley, CA
6-8pm
- III. October 4, 2018 – Yuba, Nevada, and Butte counties
Yuba County Board of Supervisors Chambers
Marysville, CA
6-8pm

- IV. October 9, 2018 – Los Angeles and City of Los Angeles
Dexter Park Recreation Center
Sylmar, CA
6-8pm
- V. October 11, 2018 – City of Ventura, Ventura and Santa Barbara Counties
Ventura County Government Center Hall of Administration
Ventura, CA
6-8pm

Interpreters were made available at the meetings to assist those participants in need of Spanish, English or sign language. HCD accepted all comments from citizens, either sent in writing to the designated email (DisasterRecovery@hcd.ca.gov) or shared orally at the public meetings. Only comments submitted during the formal public comment period will be included in the public comment attachment to the Action Plan, coupled with a response from HCD. All written proposals received will be attached in their entirety as appendices to this plan and available for public consumption at:

<http://www.hcd.ca.gov/community-development/disaster-recovery-programs/cdbg-dr.html> .

e. Stakeholder and Public Meeting Comments

The following provides a summary of the key themes that were raised in the September and October 2018 stakeholder meetings with each impacted community:

- **Assistance for Small Rental Properties** – Participants noted a need for a small rental program to address rental properties under four units.
- **Owner Occupied Program Details** – Stakeholders expressed interest in seeing specific guidelines for the owner occupied program. Areas of interest included eligible and ineligible costs, terms of assistance, and award calculation methodology.
- **City and County Allocations** – City and County officials expressed an interest in understanding how much CDBG-DR funding their community would receive and if both cities and counties would be able to apply for funding.
- **Funding for Roads** – Participants expressed the need for funding road repairs and reconstruction (both public and private roads).
- **Leveraging State/Local Funding** – Participants requested information about leveraging funding sources with CDBG-DR funds, including CalHome programs.
- **Funding Timeline** – Participants inquired about the timeline to receive CDBG-DR funding and when their community and residents would begin receiving funds.
- **Accessory Dwelling Units (ADUs)** – There were questions about whether ADUs would receive funding through the CDBG-DR funding.

The following summarizes the key themes that came out of the Phase I public meetings held in October 2018:

- **Funding Timeline** – Attendees questioned when CDBG-DR funding will be available.
- **National Environmental Policy Act (NEPA) Stop-Work Order** – Concern was expressed over this order and the time it will take HCD to complete environmental clearance for owner occupied rehabilitation and reconstruction.
- **Funding for Detached Units** – Attendees had questions about funding for rehabilitation and reconstruction of detached units.
- **Reimbursement (for work already completed)** – Residents are concerned they will not be reimbursed for repair or reconstruction work they have completed using personal funds.
- **Allocation Methodology** – Residents inquired about the methodology used to distribute funds to different programs and how that translates to funding available in their community.
- **Owner Occupied Funds** – Residents questioned if funds will be distributed to owner occupied households as a grant or loan.
- **Low-to-Moderate Income** – Concern that household income limitations and requirements are too low and unrealistic for the impacted areas.
- **Timing of CDBG-DR Funds** – Concern expressed that CDBG-DR funds will not be available until after temporary housing support from other sources ends.

The input received during the above referenced briefings and meetings has informed HCD's recovery plan, including decisions related to funding allocations and program design.

Round II public meetings will be held in coordination with the Action Plan Public Comment Period. During Round II HCD will return to the HUD identified Most Impacted and Distressed areas to share the Action Plan and ensure community members and stakeholders are provided the opportunity to involve themselves in the recovery process as it pertains to CDBG-DR funds.

7. Public Website

HCD will maintain a comprehensive website dedicated to CDBG-DR programs and related activities, including the final Action Plan, public comments, and Citizen Participation Plan. The website can be found at the following address: <http://www.hcd.ca.gov/community-development/disaster-recovery-programs/cdbg-dr.html>. In addition to the public website, HCD will procure a vendor to communicate with program applicants regarding their application status. This is mentioned further in the next section.

8. Waivers

No waivers have been requested at this time.

VI. Administration and Planning

1. Application Status

HCD is responsible for the implementation of the CDBG-DR programs and projects, including the means of communicating with program applicants. HCD is proposing to directly implement an Owner Occupied Rehabilitation and Reconstruction Program that will provide assistance to eligible applicants. For applicant communication in that program, HCD and its contractors commit to sharing timely and accurate information throughout the lifecycle of the program. HCD will procure a program implementation contractor that will be responsible for providing necessary information to each applicant. HCD will include standard communication requirements in the solicitation for program implementation services.

To ensure effective communication, HCD will require that the procured contractor host and maintain a website or web-based portal for applicants to access their application status at any time in the process. Additionally, HCD will gather information from each applicant during the intake process that will be used for communication purposes. These communication methods include:

- Mailings to the damaged and current mailing addresses;
- Emails to primary and secondary email addresses; and
- Phone calls to primary and secondary phone numbers.

Program applicants will interface directly with the program's online system to keep their contact information updated. This system will also keep applicants apprised of key changes to their application status.

Additionally, HCD utilizes the disaster recovery page on its website to share overall grant updates, publication of action plan amendments, and critical grant communications. HCD will provide hyperlinks to websites specific to the Owner Occupied Rehabilitation and Reconstruction Program so that potential applicants can learn more about these programs. The HCD website, as well as these program-specific websites, will include a link to submit contact information so that potential applicants can receive more information about programs for which they may qualify.

Once an applicant submits an application to a program, the file is assigned to a case manager. The case managers who are part of the procured program implementation contractor's team are responsible for managing communications with the applicant during the lifecycle of the program. An applicant can communicate with the case manager via email, phone or through the web-based applicant portal to request an application status update. Notwithstanding the ability to communicate directly with a case manager, the web-based applicant portal will provide real-time updates on application status. The web-based applicant portal will be designed with PII requirements in mind to keep applicant information secure.

Applicants with LEP who require translation or interpretation services are provided these services in accordance with HCD's Language Assistance Plan (LAP). Furthermore, HCD provides status

updates and program materials in a format that is in accordance with the Americans with Disabilities Act (ADA).

2. Program Budget

The grant has been allocated as shown in the table below. In determining the allocation across programs and unmet needs, at least 70 percent of the funding will serve LMI households and individuals, and an overall 80 percent will be directed to the Most Impacted and Distressed areas. The program allocations to housing and infrastructure are designed to alleviate needs in the Most Impacted and Distressed areas and address the unmet needs for many LMI households. A detailed breakdown of program allocations is included in Section IV.

FIGURE 100: CDBG-DR FUNDING SUMMARY

Total CDBG-DR Funds	\$ 124,155,000
Administration	\$ 6,207,750
Program Allocations	\$ 117,947,250
Housing Programs	\$ 114,415,447
Owner Occupied Rehab and Recon Program	\$ 47,627,647.75
Multifamily Housing Program	\$ 66,787,799.21
FEMA PA Match Program	\$ 3,531,803
Total CDBG-DR Funds	\$ 124,155,000

3. Program Income

HCD manages program income through the provisions in the Standard Agreement, which all subgrantees must sign to receive funding from HCD. Subgrantees report program income to HCD on a regular basis. If a subgrantee's activities generate program income, it may only be used for eligible project or administration costs related to the awarded project before additional grant dollars are expended. Subgrantees provide monthly reports to HCD on program income generated and retained. If at the end of a Standard Agreement there is remaining program income, it is returned to HCD during closeout where the Division of Administration and Management Accounting office tracks the program income until it is obligated in a new Standard Agreement and tracked through CAPES. As HCD finalizes program designs and determines if program income will be generated, HCD will refine the program income section of the CDBG-DR GMM to accurately describe how program income will be managed.¹⁰³

4. Projection of Expenditures and Outcomes

The tables below present quarterly expenditure projections for the uses of the grant proposed in this Action Plan. The projections are based on the following approach and assumptions:

¹⁰³ California Department of Housing and Community Development, "Community Development Block Grant Program - Disaster Recovery (CDBG-DR)" webpage <http://www.hcd.ca.gov/community-development/disaster-recovery-programs/cdbg-dr.html>

- The projected expenditures were determined based on anticipated staffing needs, project or program scale, project complexity, presumed level of effort, and the methods of delivery outlined in Section IV.
- The frequency of activities associated with each project was determined quarterly and assigned a phase.
- A phase is intended to reflect the fluctuations of expenses as activities associated with each project are executed and a projection of the resulting drawdown schedule.
- Each phase was assigned a percentage that was determined by the total project cost and how many quarters each project would be in each phase.
- The phase determinations for the FEMA PA Match Program and Multifamily Housing Program account for the scale of the projects and the accompanying level of complexity for planning and design, environmental reviews, and construction.

The phase anticipated for each quarter is indicated in the tables below and are defined as follows:

FIGURE 101: BUDGET SCHEDULE KEY

Budget Schedule Key		
Steady	S	Expenses in this phase are at a consistent or predictable rate.
Ramp Up	RU	Expenses in this phase are beginning to increase to accommodate increased activity in the following quarter(s).
Height	H	Expenses in this phase are at a height due to increased rate and/or size of drawdowns resulting from construction completion benchmarks, staff hiring increases, or similar milestones.
Ramp Down	RD	Expenses in this phase are beginning to decrease toward the end of the program lifecycle.
Closeout/Monitoring	C/M	Expenses in this phase are relatively low due to the decrease in drawdown frequency and size and focus on monitoring and closeout efforts.

VII. Certification and Risk Analysis

The State of California HCD submitted the Certification and Risk Analysis Implementation Plan to HUD on October 18, 2018.

1. CDBG-DR Certifications

24 CFR 91.225 and 91.325 are waived. Each grantee receiving a direct allocation under this notice must make the following certifications with its action plan:

- a. The grantee certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.
- b. The grantee certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.
- c. The grantee certifies that the action plan for disaster recovery is authorized under State and local law (as applicable) and that the grantee, and any entity or entities designated by the grantee, and any contractor, subrecipient, or designated public agency carrying out an activity with CDBG-DR funds, possess(es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this notice. The grantee certifies that activities to be undertaken with funds under this notice are consistent with its action plan.
- d. The grantee certifies that it will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for in this notice.
- e. The grantee certifies that it will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135.
- f. The grantee certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.115 or 91.105 (except as provided for in notices providing waivers and alternative requirements for this grant). Also, each local government receiving assistance from a State grantee must follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).
- g. State grantee certifies that it has consulted with affected local governments in counties designated in covered major disaster declarations in the non entitlement, entitlement, and tribal areas of the State in determining the uses of funds, including the method of distribution of funding, or activities carried out directly by the State.
- h. The grantee certifies that it is complying with each of the following criteria: (1) Funds will be used solely for necessary expenses related to disaster relief, long term recovery, restoration of infrastructure and housing and economic revitalization in the Most Impacted and Distressed areas for which the President declared a major disaster in 2016 pursuant

to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et seq.). (2) With respect to activities expected to be assisted with CDBG-DR funds, the action plan has been developed so as to give the maximum feasible priority to activities that will benefit low and moderate income families. (3) The aggregate use of CDBG-DR funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 70 percent (or another percentage permitted by HUD in a waiver published in an applicable Federal Register notice) of the grant amount is expended for activities that benefit such persons. (4) The grantee will not attempt to recover any capital costs of public improvements assisted with CDBG-DR grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless: (a) Disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (a).

- i. The grantee certifies that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601– 3619), and implementing regulations, and that it will affirmatively further fair housing.
- j. The grantee certifies that it has adopted and is enforcing the following policies, and, in addition, must certify that they will require local governments that receive grant funds to certify that they have adopted and are enforcing: (1) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and (2) A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
- k. The grantee certifies that it (and any subrecipient or administering entity) currently has or will develop and maintain the capacity to carry out disaster recovery activities in a timely manner and that the grantee has reviewed the requirements of this notice. The grantee certifies to the accuracy of its Public Law 115–56 Financial Management and Grant Compliance certification checklist, or other recent certification submission, if approved by HUD, and related supporting documentation referenced at A.1.a. under section VI and its Implementation Plan and Capacity Assessment and related submissions to HUD referenced at A.1.b. under section VI.
- l. The grantee certifies that it will not use CDBG-DR funds for any activity in an area identified as flood prone for land use or hazard mitigation planning purposes by the State, local, or tribal government or delineated as a Special Flood Hazard Area (or 100 year floodplain) in FEMA’s most current flood advisory maps, unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision is the State, local, and tribal government land use regulations and hazard mitigation plans and the latest issued FEMA data or guidance, which includes advisory

data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

- m. The grantee certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.
- n. The grantee certifies that it will comply with environmental requirements at 24 CFR part 58.
- o. The grantee certifies that it will comply with applicable laws.

The State of California Department of Housing and Community Development hereby certifies the above, as authorized by the Director.

Signed version submitted to HUD

2. SF-424

HCD submits this Action Plan to HUD along with a completed and executed Federal Form SF-424.

VIII. Appendices

Appendix A: Budget Projections

Appendix B: Consultations

4. Appendices

Appendix A: Budget Projections

The tables below present quarterly expenditure projections for the uses of the grant proposed in this Action Plan. The projections are based on the following approach and assumptions:

- The projected expenditures were determined based on anticipated staffing needs, project or program scale, project complexity, presumed level of effort, and the methods of delivery outlined in Section IV.
- The frequency of activities associated with each project was determined quarterly and assigned a phase.
- A phase is intended to reflect the fluctuations of expenses as activities associated with each project are executed and a projection of the resulting drawdown schedule.
- Each phase was assigned a percentage that is determined by the total project cost and how many quarters each project would be in each phase.
- The phase determinations for the FEMA PA Match Program and Multifamily Housing Program account for the scale of the projects and the accompanying level of complexity for planning and design, environmental reviews, and construction.

The phase anticipated for each quarter is indicated in the tables below and are defined as follows:

Budget Schedule Key		
Steady	S	Expenses in this phase are at a consistent or predictable rate.
Ramp Up	RU	Expenses in this phase are beginning to increase to accommodate increased activity in the following quarter(s).
Height	H	Expenses in this phase are at a height due to increased rate and/or size of drawdowns resulting from construction completion benchmarks, staff hiring increases, or similar milestones.
Ramp Down	RD	Expenses in this phase are beginning to decrease toward the end of the program lifecycle.
Closeout/Monitoring	C/M	Expenses in this phase are relatively low due to the decrease in drawdown frequency and size and focus on monitoring and closeout efforts.

State of California 2018 CDBG-DR Action Plan



Department of Housing and Community Development

2019									
Activity	Activity Allocation		Phase		Phase		Phase		Phase
		Q1		Q2		Q3		Q4	
Owner-Occupied Rehab and Reconstruction	\$47,627,648			\$1,428,829	RU	\$1,428,829	RU	\$2,381,382	S
FEMA PA Match	\$3,531,803			\$86,529	RU	\$86,529	RU	\$86,529	RU
Multi-Family Housing	\$66,787,799			\$1,836,664	RU	\$1,836,664	RU	\$1,836,664	RU
Administration	\$6,207,750	\$206,925	RU	\$206,925	RU	\$206,925	RU	\$310,387	S
Total Budget	\$124,155,000	\$206,925		\$3,558,948		\$3,558,948		\$4,614,963	
	Funds Remaining	\$123,948,075		\$120,389,127		\$116,830,179		\$112,215,215	

2020									
Activity	Activity Allocation		Phase		Phase		Phase		Phase
		Q1		Q2		Q3		Q4	
Owner-Occupied Rehab and Reconstruction	\$42,388,607	\$2,381,382	S	\$3,393,470	H	\$2,381,382	S	\$2,381,382	S
FEMA PA Match	\$3,272,215	\$176,590	S	\$176,590	S	\$480,767	H	\$480,767	H
Multi-Family Housing	\$61,277,806	\$3,339,390	S	\$3,339,390	S	\$3,339,390	S	\$3,339,390	S
Administration	\$5,276,588	\$310,388	S	\$310,388	S	\$310,388	S	\$310,388	S
Total Budget	\$112,215,215	\$6,207,750		\$7,219,838		\$6,511,927		\$6,511,927	
	Funds Remaining	\$106,007,465		\$98,787,628		\$92,275,701		\$85,763,775	

State of California 2018 CDBG-DR Action Plan



Department of Housing and Community Development

2021									
Activity	Activity Allocation		Phase		Phase		Phase		Phase
		Q1		Q2		Q3		Q4	
Owner-Occupied Rehab and Reconstruction	\$31,850,990	\$3,393,470	H	\$2,381,382	S	\$2,381,382	S	\$3,393,470	H
FEMA PA Match	\$1,957,502	\$176,590	S	\$176,590	S	\$480,767	H	\$480,767	H
Multi-Family Housing	\$47,920,246	\$5,301,282	H	\$5,301,282	H	\$3,339,390	S	\$3,339,390	S
Administration	\$4,035,038	\$310,388	S	\$310,388	S	\$310,388	S	\$310,388	S
Total Budget	\$85,763,775	\$9,181,729		\$8,169,642		\$6,511,927		\$7,524,014	
	Funds Remaining	\$76,582,046		\$68,412,404		\$61,900,478		\$54,376,463	

2022									
Activity	Activity Allocation		Phase		Phase		Phase		Phase
		Q1		Q2		Q3		Q4	
Owner-Occupied Rehab and Reconstruction	\$20,301,285	\$2,381,382	S	\$2,381,382	S	\$3,393,470	H	\$2,381,382	S
FEMA PA Match	\$642,788	\$176,590	S	\$176,590	S	\$105,954	RD	\$105,954	RD
Multi-Family Housing	\$30,638,903	\$3,339,390	S	\$3,339,390	S	\$5,301,282	H	\$5,301,282	H
Administration	\$2,793,488	\$310,388	S	\$310,388	S	\$310,388	S	\$310,388	S
Total Budget	\$54,376,463	\$6,207,750		\$6,207,750		\$9,111,093		\$8,099,006	
	Funds Remaining	\$48,168,713		\$41,960,963		\$32,849,870		\$24,750,865	

State of California 2018 CDBG-DR Action Plan



Department of Housing and Community Development

2023									
Activity	Activity Allocation		Phase		Phase		Phase		Phase
		Q1		Q2		Q3		Q4	
Owner-Occupied Rehab and Reconstruction	\$9,763,668	\$2,381,382	S	\$2,381,382	S	\$1,428,829	RD	\$1,428,829	RD
FEMA PA Match	\$77,700	\$38,850	C/M	\$38,850	C/M				
Multi-Family Housing	\$13,357,560	\$3,339,390	S	\$3,339,390	S	\$2,003,634	RD	\$2,003,634	RD
Administration	\$1,551,938	\$310,388	S	\$310,388	S	\$186,233	RD	\$186,233	RD
Total Budget	\$24,750,865	\$6,070,010		\$6,070,010		\$3,618,696		\$3,618,696	
	Funds Remaining	\$18,680,855		\$12,610,845		\$8,992,150		\$5,373,454	

2024									
Activity	Activity Allocation		Phase		Phase		Phase		Phase
		Q1		Q2		Q3		Q4	
Owner-Occupied Rehab and Reconstruction	\$2,143,244	\$535,811	C/M	\$535,811	C/M	\$535,811	C/M	\$535,811	C/M
FEMA PA Match	\$0								
Multi-Family Housing	\$2,671,512	\$667,878	C/M	\$667,878	C/M	\$667,878	C/M	\$667,878	C/M
Administration	\$558,698	\$186,233	RD	\$124,155	C/M	\$124,155	C/M	\$124,155	C/M
Total Budget	\$5,373,454	\$1,389,922		\$1,327,844		\$1,327,844		\$1,327,844	
	Funds Remaining	\$3,983,532		\$2,655,688		\$1,327,844		\$0	

State of California 2018 CDBG-DR Action Plan

Department of Housing and Community Development



Appendix B: Consultation Summary

DATE	CONTACT TYPE	MEETING	PURPOSE	PARTIES REPRESENTED
4/13/2018	Stakeholder Outreach	Internal Kick Off	HCD and GCR discussed overview of GCR scope of work, CDBG-DR Certifications and Implementation Plan, and CDBG-DR Action Plan	HCD and GCR
4/30/2018	Stakeholder Outreach	Mendocino County Disaster Recovery Discussion	Mendocino County, HCD, GCR, CalOES, FEMA, and HUD discussed Overview of Disaster Recovery Timeline, County's Overview, CDBG-DR Administrative and Organizational Structures, Data-Impacts and Recovery Needs, and Available Data, and State and Local Coordination.	Mendocino County, HCD, GCR, CalOES, FEMA, and HUD
5/1/2018	Stakeholder Outreach	Napa County Disaster Recovery Discussion	Napa City & County, HCD, GCR, CalOES, FEMA, and HUD discussed Overview of Disaster Recovery Timeline, City and County's Overview, CDBG-DR Administrative and Organizational Structures, Data-Impacts and Recovery Needs, and Available Data, and State and Local Coordination.	Napa City & County, HCD, GCR, CalOES, FEMA, and HUD
5/2/2018	Stakeholder Outreach	Lake County/City of Clearlake Disaster Recovery Discussion	Lake County and the City of Clearlake, HCD, GCR, CalOES, FEMA, and HUD discussed Overview of Disaster Recovery Timeline, City and County's Overview, CDBG-DR Administrative and Organizational Structures, Data-Impacts and Recovery Needs, and Available Data, and State and Local Coordination.	Lake County and the City of Clearlake, HCD, GCR, CalOES, FEMA, and HUD
5/3/2018	Stakeholder Outreach	Yuba County Disaster Recovery Discussion	Yuba County, HCD, GCR, CalOES, FEMA, and HUD discussed Overview of Disaster Recovery Timeline, City and County's Overview, CDBG-DR Administrative and Organizational Structures, Data-Impacts and Recovery Needs,	Yuba County, HCD, GCR, CalOES, FEMA, and HUD

State of California 2018 CDBG-DR Action Plan

Department of Housing and Community Development

DATE	CONTACT TYPE	MEETING	PURPOSE	PARTIES REPRESENTED
			and Available Data, and State and Local Coordination.	
5/4/2018	Stakeholder Outreach	Nevada County Disaster Recovery Discussion	Nevada County, HCD, GCR, CalOES, FEMA, and HUD discussed Overview of Disaster Recovery Timeline, County's Overview, CDBG-DR Administrative and Organizational Structures, Data-Impacts and Recovery Needs, and Available Data, and State and Local Coordination.	Nevada County, HCD, GCR, CalOES, FEMA, and HUD
5/8/2018	Stakeholder Outreach	Santa Barbara County Disaster Recovery Discussion	Santa Barbara County, SBHCD, SBCO Flood Control, Ernst & Young, HCD, GCR, CalOES, FEMA, and HUD LA Field Office discussed Overview of Disaster Recovery Timeline, County's Overview, CDBG-DR Administrative and Organizational Structures, Data-Impacts and Recovery Needs, and Available Data, and State and Local Coordination.	Santa Barbara County, SBHCD, SBCO Flood Control, Ernst & Young, HCD, GCR, CalOES, FEMA, and HUD LA Field Office
5/9/2018	Stakeholder Outreach	Los Angeles County Disaster Recovery Discussion	LA County OEM, LA CDC, HCD, GCR, CalOES, FEMA, and HUD discussed Overview of Disaster Recovery Timeline, County's Overview, CDBG-DR Administrative and Organizational Structures, Data-Impacts and Recovery Needs, and Available Data, and State and Local Coordination.	LA County OEM, LA CDC, HCD, GCR, CalOES, FEMA, and HUD
5/9/2018	Stakeholder Outreach	City of Los Angeles Disaster Recovery Discussion	City of LA, HCD, GCR, CalOES, FEMA, and HUD discussed Overview of Disaster Recovery Timeline, City and County's Overview, CDBG-DR Administrative and Organizational Structures, Data-Impacts and Recovery Needs, and Available Data, and State and Local Coordination.	City of LA, HCD, GCR, CalOES, FEMA, and HUD

State of California 2018 CDBG-DR Action Plan

Department of Housing and Community Development

DATE	CONTACT TYPE	MEETING	PURPOSE	PARTIES REPRESENTED
9/24/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: Yuba & Nevada Counties	Yuba County, Nevada County, GCR and HCD discussed local data collected, proposed programs and next steps.	Yuba County, Nevada County, GCR and HCD
9/24/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: Mendocino County	Mendocino County, GCR and HCD discussed local data collected, proposed programs and next steps.	Mendocino County, GCR and HCD
9/25/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: Ventura County & City of Ventura	City of Ventura, Ventura County, GCR and HCD discussed local data collected, proposed programs and next steps.	City of Ventura, Ventura County, GCR and HCD
9/26/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: Santa Barbara County	Santa Barbara County, GCR and HCD discussed local data collected, proposed programs and next steps.	Santa Barbara County, GCR and HCD
9/26/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: City of Santa Rosa and Sonoma County	City of Santa Rosa, GCR, Sonoma County and HCD discussed local data collected, proposed programs and next steps.	City of Santa Rosa, GCR, Sonoma County and HC
9/27/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: City of Napa and Napa County	City of Napa, Napa County, GCR and HCD discussed local data collected, proposed programs and next steps.	City of Napa, Napa County, GCR and HCD
9/27/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: Butte County	Butte County, GCR and HCD discussed local data collected, proposed programs and next steps.	Butte County, GCR and HCD
9/28/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: Lake County and City of Clearlake	City of Clearlake, Lake County, GCR and HCD discussed local data collected, proposed programs and next steps.	City of Clearlake, Lake County, GCR and HC
9/28/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: San Diego County	San Diego County, GCR and HCD discussed local data collected, proposed programs and next steps.	San Diego County, GCR and HCD
10/2/2018	Stakeholder Briefing	Stakeholder Briefing Webinar: LA County and City of LA	City of LA, LA County, GCR and HCD discussed local data collected, proposed programs and next steps.	City of LA, LA County, GCR and HCD
10/2/2018	Public Meeting	Round 1 Public Meeting: Sonoma & Santa Rosa	HCD provided CDBG-DR overview for impacted households and general public	General Public, HCD, GCR

State of California 2018 CDBG-DR Action Plan

Department of Housing and Community Development

DATE	CONTACT TYPE	MEETING	PURPOSE	PARTIES REPRESENTED
10/3/2018	Public Meeting	Round 1 Public Meeting: Mendocino & Lake	HCD provided CDBG-DR overview for impacted households and general public	General Public, HCD, GCR
10/4/2018	Public Meeting	Round 1 Public Meeting: Yuba, Nevada & Butte	HCD provided CDBG-DR overview for impacted households and general public	General Public, HCD, GCR
10/9/2018	Public Meeting	Round 1 Public Meeting: LA & City of LA	HCD provided CDBG-DR overview for impacted households and general public	General Public, HCD, GCR
10/11/2018	Public Meeting	Round 1 Public Meeting: Ventura, City of Ventura & Santa Barbara	HCD provided CDBG-DR overview for impacted households and general public	General Public, HCD, GCR

PURPOSE	PARTIES REPRESENTED
Outreach to HUD approved Counseling Agencies HCD email communication to HUD approved Counseling Agencies on 10/24/18.	Affordable Housing Clearinghouse
	Credit.Org - Ladera
	Greenpath Financial Wellness
	Korean Resource Center
	Orange County Fair Housing Council, Inc
	East La Community Corporation (Elacc)
	Faith and Community Empowerment Formerly Korean Churches for Community Development
	Guidewell Financial Solutions, West Covina
	Korean Resource Center
	Los Angeles Neighborhood Housing Services, Inc
	Money Management International, Los Angeles
	Montebello Housing Development Corp.
	New Economics for Women
	Nid-Hca Reeves
	Nid-Hca Scurry-Herrera
	Nid-Hca A. Jones
	Operation Hope - Pico Rivera Branch

PURPOSE	PARTIES REPRESENTED
Outreach to HUD approved Counseling Agencies HCD email communication to HUD approved Counseling Agencies on 10/24/18.	Shalom Center for T.R.E.E. Of Life
	Thai Community Development Corp.
	Watts Century Latino Org.
	West Angeles Community Development Corp.
	Northern Circle Indian Housing Authority, United Native Housing Development Corp.
	Inland Fair Housing and Mediation Board
	Inland Fair Housing and Mediation Board - Victorville Branch (San Bernardino County)
	Lutheran Social Services of Southern California
	Neighborhood Housing Services of The Inland Empire, Inc.
	Nid-Hca Inland Empire
	Nid-Hca Sacramento
	The Greater Sacramento Urban League
	Credit.Org - National City
	Operation Hope- Escondido Branch
	Greenpath Financial Wellness
	Money Management International - San Diego
	National Asian American Coalition (Formerly Known as Mabuhay Alliance)
	Navicore Solutions- San Diego, Ca
	Nid-Hca San Diego
	Union Of Pan Asian Communities
	Catholic Charities, Diocese Of Santa Rosa
	CCCS Of San Francisco
	Cabrillo Economic Development Corporation
	Ventura County Community Development Corporation

PURPOSE	PARTIES REPRESENTED
Outreach to California Native Tribes HCD email and mail communication to California Native Tribes on 10/07/18.	Agua Caliente Band of Cahuilla Indians
	Barbareno/ Ventureno Band of Mission Indians
	Barona Band of Mission Indians
	Berry Creek Rancheria of Maidu Indians
	Big Valley Band of Pomo Indians
	Cahto Tribe
	Campo Band of Diegueno Mission Indians
	Cloverdale Rancheria of Pomo Indians
	Coastal Band of the Chumash Nation
	Colfax-Todds Valley Consolidated Tribe
	Cortina Rancheria - Kletsel Dehe Band of Wintun Indians
	Coyote Valley Band of Pomo Indians
	Dry Creek Rancheria Band of Pomo Indians
	Elem Indian Colony Pomo Tribe
	Estom Yumeka Maidu Tribe of the Enterprise Rancheria
	Ewiiapaayp Band of Kumeyaay Indians
	Federated Indians of Graton Rancheria
	Fernandeno Tataviam Band of Mission Indians
	Gabrelino/ Tongya Nation
	Gabrieleno Band of Mission Indians - Kizh Nation
	Gabrieleno/ Tongya San Gabriel Band of Mission Indians
	Gabrielino-Tongya Tribe
	Greenville Rancheria
	Habematolel Pomo of Upper Lake
	Hopland Band of Pomo Indians
	Iipay Nation of Santa Ysabel
	Inaja-Cosmit Band of Indians
	Jamul Indian Village

PURPOSE	PARTIES REPRESENTED
Outreach to California Native Tribes HCD email and mail communication to California Native Tribes on 10/07/18.	Juaneno Band of Mission Indians Acjachemen Nation
	Kwaaymii Laguna Band of Mission Indians
	Kashia Band of Pomo Indians of the Stewarts Point Rancheria
	Kern Valley Indian Community
	Kitanemuk & Yowlumne Tejon Indians
	Koi Nation of Northern California
	KonKow Valley band of Maidu
	Kumeyaay Cultural Repatriation Committee
	La Jolla Band of Luiseno Indians
	La Posta Band of Diegueno Mission Indians
	Los Coyotes Band of Cahuilla and Cupeno Indians
	Lytton Rancheria
	Manchester Band of Pomo Indians
	Manzanita Band of Kumeyaay Nation
	Mechoopda Indian Tribe
	Mesa Grande Band of Diegueno Mission Indians
	Middletown Rancheria
	Mishewal-Wappo Tribe of Alexander Valley
	Mooretown Rancheria of Maidu Indians
	Noyo River Indian Community
	Pala Band of Mission Indians
	Pauma Band of Luiseno Indians
	Pinoleville Pomo Indians
	Potter Valley Tribe
	Redwood Valley or Litter River Band of Pomo Indians
	Robinson Rancheria Band of Pomo Indians

PURPOSE	PARTIES REPRESENTED
Outreach to California Native Tribes <i>Email and mailed communication to California Native Tribes on 10/07/18.</i>	Round Valley Indian Tribes of the Round Valley Reservation
	San Luis Rey Band of Mission Indians
	San Manuel Band of Mission Indians
	San Pasqual Band of Diegueno Mission Indians
	Santa Ynez Band of Chumash Indians
	Scotts Valley Band of Pomo Indians
	Sherwood Valley Band of Pomo Indians
	Soboba Band of Luiseno Indians
	Strawberry Valley Rancheria
	Sycuan Band of the Kumeyaay Nation
	Tsi Akim Maidu
	United Auburn Indian Community of the Auburn Rancheria
	Viejas Band of Kumeyaay Indians
	Washoe Tribe of Nevada and California
	Yocha Dehe Wintun Nation
PURPOSE	PARTIES REPRESENTED
Outreach to Continuum of Care Agencies <i>Email communication to Continuum of Care Agencies on 9/17/18.</i>	Santa Rosa/Petaluma/Sonoma County CoC
	Mendocino County CoC
	Napa City & County CoC
	Yuba City & County/Sutter County CoC
	Lake County CoC
	Santa Maria/Santa Barbara County CoC
	Oxnard/San Buenaventura/Ventura County CoC
	Roseville/Rocklin/Placer, Nevada Counties CoC
	Chico/Paradise/Butte County CoC
	Los Angeles City & County CoC

PURPOSE	PARTIES REPRESENTED
Outreach to Continuum of Care Agencies <i>Email communication to Continuum of Care Agencies on 9/17/18.</i>	San Diego City and County CoC
	Santa Ana/Anaheim/Orange County CoC

PURPOSE	PARTIES REPRESENTED
Outreach to Public Housing Authorities Email communication to Public Housing Authorities on 08/01/18.	Housing Authority of the City of Anaheim
	Housing Authority of the City of San Buenaventura
	Housing Authority of the City of Santa Paula
	Housing Authority of the County of Santa Barbara
	Housing Authority of the County of San Diego
	Housing Authority of the County of Los Angeles
	Housing and Area Agency on Aging of the County of Lake
	Housing Authority of the County of Santa Rosa
	Housing Authority of the County of Butte
	Housing Authority of the County of Sonoma
	Housing Authority of the City of Napa
	Community Development Commission of the County of Mendocino