Question 1: Has there been any CDBG-DR allocated for the DR-4610 Dixie Fire for Plumas County?

Answer 1: So, yes, HUD has announced $14.6 million for DR-4610, which covers Plumas County. The meeting we’re having today and this action plan and the public comment period is only for DR-4558 and DR-4569. We will, once HUD produces and announces the Federal Register Notice for 4610, we will be coming back through and amending this Action Plan to incorporate that region as well. That is why you don’t see information for 4610, here. It’s important for everyone interested to make sure that you’re signed up and are receiving information, once HCD comes to that.

Question 2: Does this mean no funding for Trinity County DR-4558?

Answer 2: So, yes, Trinity County was in the DR-4558. It wasn’t identified as the most impacted and distressed area by HUD and so 80 percent of the funding must be spent on the most distressed and impacted areas.

Question 3: For OOR, will national objective be met when home is completed and occupied or is there another threshold?

Answer 3: I can take this one. Hi, everyone. This is Joseph Helo with the OOR program. Yes, when the house is completed, then the national objective is achieved. So usually the house being complete and the disaster survivor is rehoused is when the national objective is met.

Question 4: Are people eligible for OOR if they received SBA or FEMA?

Answer 4: Yes. Disaster survivors will still be eligible to apply for the OOR program even if received assistance from SBA, FEMA, or both.

Question 5: Are property owners eligible to purchase an RV with OOR if a rebuild is in progress and they cannot afford rent?

Answer 5: Not using program funds. Again, a recreational vehicle (RV) is not eligible for CDBG OOR funds, so the answer is a “no”. I’m sorry. Let me take one last look at the question. The answer is “no”, not using the CDBG-DR OOR funds, nor can it be used to pay rent.

Question 6: To apply for this program, can a for-profit corporation apply directly or does the for-profit have to apply with a municipality or public agency?
Answer 6: I’m Joe Harney. I’m the program manager for the MHP program. And since this is talking about a corporation and municipality, I assume it’s leaning toward the MHP side of things. When the MHP NOFA is out, it will be directly to developer entities, in whichever configuration, and it will not require a municipality or public agency to apply along with the developer.

Question 7: Another question, can a HOA organization apply to repair infrastructure, such as roads and water and waste lines?

Answer 7: The DR programs that we discussed today, there are no eligible programs like that. The housing program, the owner-occupied reconstruction program, the homeowner applies directly through HCD and we implement. The multifamily developers apply through the competitive NOFA process. The FEMA PA match is only eligible to local cities and jurisdictions because that’s a public assistance, so, by definition, only they could receive that funding. There is no program being proposed, here, to assist with those infrastructure needs. We recognize infrastructure is a big need. In discussion with other state agencies, there are a plethora of funding available either through state water resources agencies, regional water quality control board, and other infrastructure resources as well. We encourage folks to look at those resources.

Question 8: Why is Mendocino not considered most impacted and distressed (MID)?

Answer 8: The methodology [used] by HUD identifies what the most impacted and distressed (MID) [areas] are and the methodology includes significant damage either as a portion of the economy or a significant portion of the housing units lost. So, Mendocino had a smaller portion of housing units lost as compared to other counties in DR-4558 and 4569.

Question 9: Does the OOR program require a contractor to rebuild or is owner-builder allowable?

Answer 9: For the 2020, the OOR program will only offer the solution one path of the program, which means that all construction will be completed by the program construction services vendor, so there will not be an option for program participants to use an outside contractor.

Question 10: Is there an approximate date for issuing the Santa Cruz NOFA?

Answer 10: There is not yet. The Action Plan is still in the draft public comment period and it will need to be resolved and finalized and approved by HUD, before we can begin putting together the NOFA timeline.

Question 11: Will there be a baseline requirement for readiness for MFH projects?

Answer 11: So, at this point, this is yet to be determined. There will be discussions about the scoring criteria. Traditionally, readiness is a factor that is used in determining project competitiveness, so it is likely that there will be some sort of points awarded for readiness, but at this point it has not determined how many or what percentage of the overall total score will constitute readiness.
**Question 12:** Can OOR funds be leveraged with other loan funds, if someone is not eligible for a loan that will cover the whole rebuild? For instance, a project costs $600k, but the person can get a loan for $300k. Will OOR kick in at $300k?

**Answer 12:** Yes, you can get loans to complete the total cost of the build. One thing to note is the cap of OOR is $500,000, so, you know, apply to assess how much you qualify for, before applying for a loan. This way, you can minimize the the amount of money you need to borrow.

Before we go on to the next question, let’s discuss duplication of benefits, because your line of questioning is triggering this really key Stafford Act requirement: duplication of benefit. Can we explain what it is and how it gets accounted for in the OOR process?

Duplication of Benefits simply says that the OOR funds cannot duplicate another assistance for the same purpose. Simply put, if you have damage for $100, you cannot receive $100 from FEMA, plus $100 from SBA, plus $100 from insurance for the same damage. So, basically, if you are receiving a loan, if the damage is $600,000 – taking the example that was on the question – and you have a loan for $300,000, then you do have a remaining need of $300,000. Then, OOR can come in and bridge that gap. The purpose of the OOR fund is to be gap funds, so, basically, after exhausting all assistance provided from your insurance, from FEMA, from SBA loan, if you choose to apply for SBA, then the OOR funds can come in. Funds from the OOR cannot duplicate or pay for damage that you have already received assistance for.

Just as a reminder to everyone, this is a federal Stafford Act requirement that applies to all disaster recovery funding. It’s a key process for any advocates on the call. This duplication of benefits issue is a serious issue. We have to account for it at the beginning of the process and also at the end of the process, as well, accounting for any of these private or public resources brought in for housing needs.

**Question 13:** What is the address, again, to receive notices from the CDBG-DR?

**Answer 13:** So, you actually have to sign up to receive the HCD email. And it is on our [HCD] website. And you go on the top tab and you click on “contact” on the right-hand side. Then, click on “email sign up” on the right-hand side to receive our e-mail and you have to fill in your information to receive the email. I will email the slides to everybody, so if you’re not able to do that, you can do that when you receive the slides. I will e-mail the slides tomorrow.


**Question 14:** What if a homeowner has already started/completed the rebuild? Would they be able to offset any loans?

**Answer 14:** I assume that is for the OOR. That would be reimbursement and the OOR does not offer reimbursement. There’s no reimbursement path at this point. So, it is remaining need, so the repairs are still needed. And that’s when OOR funds can come in to, basically, reconstruct the damaged property.

**Question 15:** Can the individual choose their own contractor?
Question 15: What would happen if the property owner is also the builder?

Answer 15: Again, the construction can only be completed by the construction management vendor who is a part of the CDBG-DR RecoverCA OOR program.

Question 16: What are loan terms for an OOR loan?

Answer 16: The OOR funds are in the form of a grant. It is not a loan.

Question 17: When will the MHP NOFA most likely be released?

Answer 17: At this time, the release date is not yet determined. That will all depend on what feedback is received in the public comments and our final approval and authorization from HUD to proceed with the Action Plan.

The critical date, right now, for HUD approval and execution of the grant agreement, so these programs that we've been talking about, basically, become real because, until HUD approves these programs, basically, don't exist. We anticipate that to be in September or October. It's some window period, after that.

Question 18: Is there a size cap on the home size [for OOR]?

Answer 18: The program currently does not have a size cap. There is a match methodology that the program takes. Once you complete an application and once your site is visited by our team, then you would go through the method of assigning one of the pre-approved models that the OOR program has to build. So we have pre-set plans and, basically, there is a match methodology that the program has. So, according to your previous bedroom/bath count, your house size, and the need, the applicant will be assigned one of the pre-approved plans for the OOR program.

Question 19: How will the construction management vendor be selected, by bid?

Answer 19: One of our approaches is to expedite getting resources into communities, so, as we mention in our Action Plan we're proposing to expand existing programs and not go through a full rebid process. This will allow us to get resources into communities sooner because we already have vendors both on the application part and the construction management part already on board and working on construction. Many of the communities surrounding, [are] also, overlapping with the DR-4558 and DR-4569.

Question 20: If you lost your home on 8/18/2020, and are trying to rebuild, and already have a contract with a builder, and are underinsured, and are facing mitigation costs, etc., can OOR help with mitigation?
Answer 21: One of the new features with this grant is the OOR mitigation where you can apply for up to $50,000 to help with [the] mitigation and resiliency of your project. If the scenario is that you will want to continue using your own contractor, you can't apply for OOR to help with the reconstruction of the house; you need to go forward with the contractor that you've chosen. But you can potentially apply and receive up to $50,000. Again, you would have to be in the priority tiers: be in low- or moderate-income in the most impacted and distressed areas. And we have yet to provide the details of that program, but that could be an eligible activity.

Question 22: Will the models be shared for OOR?

Answer 22: Not sure what the direction is on that, so we'll take that back and respond in writing.

Question 23: Does the OOR grant have any owner-occupied restrictions for 'X' amount of years?

Answer 23: Yes, the program will have a monitoring period for a minimum of two years, where the property needs to be maintained as owned and occupied by the survivor who received the grant, with additional requirements as well.

[There is] some additional guidance from HUD for increasing the period for new construction of single-family homes.

Question 24: Will the models be shared with non-applicants?

Answer 24: We'll take this one back and we'll respond in writing.

Question 25: Will the survivors choose from models for the OOR program or be able to use their own floor plans? What if a survivor is in the process of building with a contractor?

Answer 25: The design of the OOR program that we already have in place and, again, possibly implementing the 2020 program has the pre-set plans that are already a part of the program. So, if the survivor has their own plan and [is] already working with a contractor, again, the 2020 program only allows for the path where the construction contractor that is a part of the program will carry out construction activities.

Question 26: If your area has problems with road access that prevent the fire safety sign off for pre-clearance in order to get housing permits, can, for example, 4 property owners combine mitigation funds in order to solve the road access issues (equaling $200,000 in this hypothetical question)?

Answer 26: This is a bit difficult. First, [I'm] not sure if this would qualify as a mitigation activity. We are going to take our marching orders from state experts, office of state fire marshals, and others. Assuming that the activity you want to do, which is road access, is considered mitigation or resilience, for those four property owners to work together there is a very low likelihood everyone would be in the same priority tier. A lot of things would have to line up for this kind of a situation to become a possibility. The other issue, here, that I have concerns with is this road access. Again, there's going to be issues about public access, right of way, site ownership, so this would be a "very-highly-unlikely-to-no" answer.
**Question 27:** Can you share the new guidance on number of years for new units using OOR funds, if not 2 years?

**Answer 27:** We’re going to check with that and definitely get back to you.

**Question 28:** Is there anything in place that will prevent an individual from selling the property after the rebuild is complete?

**Answer 28:** No, not prevent, but there will be financial consequences – that may include repayment of grant funds. So there will be a deed restriction or a restrictive covenant against [the] title, but it will not prevent [the] homeowner doing what they choose with their property, but may entail financial consequences that include recapture or repayment of grant funds.

**Question 29:** I don’t understand how this is helpful for people that are in the middle of rebuilding. We can’t fire our current contractor and start all over again.

**Answer 29:** We recognize that $231 million is not enough money to make communities and individuals whole, so we have to make some very tough decisions about implementing the program in a way that helps the most vulnerable members of our communities, those really who don’t not have other resources to recover. HUD’s own guidance for CDBG-DR is that owner occupied housing folks need to apply to SBA or other sources to cover their insurance gaps to rebuild, so the focus of this program really is on the most vulnerable populations in the areas impacted by the 2020 wildfires.

**Question 30:** Can I see the plans somewhere? Are the plans that you have available to look at somewhere? (Clarification from HCD: This is for the OOR program. Do we (HCD) have examples on our website from 2017 or 2018?)

**Answer 30:** Not on the website. Again, the 2017 and 2018 OOR programs have plans, so we’re not sure how the 2020 plans will look, but not posted.

**Question 31:** I am one of those people that has not yet hired a contractor. I am just getting my hazard trees removed, at this point, and I’m grossly underinsured, so I’m hoping I can qualify for this.

**Answer 31:** Your interested to see what the plans look like?

Q: Yes, that’s what I would be interested in seeing. And, of course, then, seeing if I qualify or whatever.

A: Yes, that is the more difficult question, over here. Let us look into this and figure out how we can provide this information. I think others might have the same issue as well.

Q: And me signing up for the meeting, I will get the emails or I go on the website to get the e-mails?

A: I can assist you with that. I will email you tomorrow and walk you through that. You can give me a call also.
Question 32: Many people that will be eligible for this OOR program have given up and left the area.

Answer 32: We fully recognize disaster recovery takes a long time and is very difficult: requires a lot of difficult discussions at the programmatic level and also at the individual level. These funds are only going to be able to provide a portion of the recovery funds in communities.

Question 33: Will HCD be doing case management or long-term help while a rebuild is complete? Or have contact with the individual after the rebuild is complete?

Answer 33: Case management could be different. As far as the OOR program interaction, we do have a case management team that works with the case management. And, yes, after the rebuild is complete, there is a monitoring period and the program will be in contact with the survivor, after the rebuild is complete.

Similarly, on the MHP portion, there will be long term monitoring and compliance with annual reporting requirement necessary to ensure that the project remains in compliance in meeting the national objective, during the entire affordability period.

Question 34: How long is the monitoring period?

Answer 34: We’re going to get back on the OOR monitoring and multifamily is for 55 years.

Question 35: I was the person who asked the question about combining mitigation funds and I thought maybe if I explained a little better. There are roughly 50 homes that were lost in the Siskiyou fire that are all accessed along one private road, and on that private road, so far CalFire has not been able to sign off on our fire safety access, so pretty much all of those fifty property owners are cut off from accessing services or programs like this one, which is unfortunate. The vast majority of people are elderly or low income and would easily qualify in terms of the income qualification, so it is likely that the majority of people would be in the lowest tier or the middle tier, income-wise, and could qualify. And I’m just thinking if they could pool their mitigation funds, then they might be able to solve the road access issues and then that way people could move forward with getting their housing permits. Do you still think that would not be possible or would be unlikely?

Answer 35: I think one of the challenges we’re going to face is that the road construction and reconstruction and increase would have to happen prior to an application going to OOR or even MHP because the infrastructure must be in place before application, so the timing would be extraordinarily difficult to have it as part of the rebuild process. Because without the roads to service, the housing can’t go in.

Q: Maybe I can explain a little better. We have a very, very good road. It’s been accessed by all of the large trucks that came in to do the debris removal. It’s a very serviceable road; it just doesn’t meet the requirements for CalFIRE to pass pre-clearance, so the road is in place and has been there for decades and is actually quite a good road. Are you talking about logistically just not being able to get access on a road?
A: No, I think the reason we are hesitating on this one, a little bit, is we have to consult and make sure that we’re aligned with what CalFire is working on, as well. We have your information. We can follow up. We do need to round up with CalFIRE to be able to provide you with a more concrete answer. We can follow up with you.

(follow-up statement from public commenter) They’re [CalFIRE] having a public meeting Monday night and that’s why I wanted more concrete information from you so I could bring it to that meeting.

Question 36: Do OOR funds help with landscaping or fencing, driveway, garage, or only a house?

Answer 36: The OOR funds are intended to rebuild the structure, so if the garage is attached, then, yes, it will be included. Detached garages will not. OOR funds will not cover landscaping; maybe some landscaping if it’s required by code to get a building permit then it may be covered. Fencing, I believe, will be included. A driveway, yes, program funds will ensure that you have access to the property, so a driveway, if needed, should be covered by program funds. These will all end up being specific to cases, after the initial site visit and determining what is needed to receive a permit and rebuild the house.

Building on some of the OOR questions we’ve had, once this action plan is approved by HUD and we execute a grant agreement, then the OOR team will be coming around, providing outreach, explaining to folks where the website is, what kind of documentation you need, how to complete a survey to get placed in our priority tiers, and how you can move through an application. All of that good work is coming. We really appreciate these questions. Some of the property information will not be answerable until we get to program implementation.

Question 37: About how long from application to approval?

Answer 37: Past experience of 17 and 18 has been it’s been a very case-by-case basis for the OOR program, as well as the MHP program.

Just a reminder that we will have the same meeting tomorrow at the same time in Spanish, so, if you know anyone who needs to attend that meeting, please send them to the HCD website link and the registration is on our website, or you can contact me for information.

Question 38: When will you start accepting applications?

Answer 38: That is an unknown at this time. HUD must review and approve this Action Plan that we are in the middle of the comment period for. Execute the grant agreement: that’s projected sometime in September or October, so the earliest the program would run would be some weeks after that. We do intend to operationalize an existing program, so we don’t think it will be very long period of time, but it’s going to take some time to ramp up.

Similarly, there will be a development window for the MHP program to make sure that the notice of funding applicability is meeting all program, state, and federal requirements, as part of that finalization and implementation.
**Question 39:** September 2022—This is when all of our insurance runs out.

**Answer 39:** HCD recognizes insurance and insurance caps are a significant barrier. We’re engaged in non-CDBG-DR activities with the Department of Insurance [and] the Office of State Fire Marshall on this issue as well so we are aware of it. It is a significant issue.

**Close out:** You can also submit your questions at disasterrecovery@hcd.ca.gov. You can contact me directly. We will have the same meeting in Spanish and the public comment period will last until June 6th. If we don’t have any other questions, we will end the meeting now.

Thank you, everyone. Thank you. We’ll end the meeting now.