

Change to OOR Duplication of Benefits Effective October 2023

ReCoverCA would like to make homeowners aware that on October 5, 2023, the [Disaster Recovery Reform Act](#) of 2018 (DRRA) will expire. The DRRA allowed for certain subsidized loans covered by the [Stafford Disaster Relief and Emergency Assistance Act](#) to no longer be considered a duplication of benefits for federal disaster recovery programs like the Owner-Occupied Housing Rehabilitation and Recovery Program (OOR). DRRA only applies to disasters declared between January 1, 2016, and December 31, 2021, and only certain types of loans qualify.

For the OOR program this will impact applicants using a CalHome Loan to fill the gap between their OOR award and the full cost to rebuild. OOR awards are limited to a maximum of \$500,000. Under DRRA, receiving a CalHome Loan has no effect on one's OOR award. However, after October 5, a CalHome Loan will be considered Duplication of Benefits (DOB). According to federal regulations governing OOR, any source of funding a homeowner receives for rebuilding—such as insurance, legal settlements, etc.—must be applied first. In other words: cost of rebuilding minus DOB equals the OOR award amount.

If you are working with a [ReCoverCA Case Manager](#) on an OOR application, ask them how the federal DRRA expiration may affect your unique reconstruction needs. Case Managers can work with applicants to identify potential DOB adjustment solutions if needed, such as a scope reduction or other offsets outlined in the ReCoverCA OOR [Policies and Procedures](#).

Announcing Expanded Eligibility for 2017 & 2018 OOR

Great news! ReCoverCA OOR is expanding applications to more homeowners. Because OOR is federal funding from HUD, program policies state the majority of funds must support low- to moderate-income households. Previously, ReCoverCA was limited to those in HUD-designated Most Impacted and Distressed areas earning up to 80% of Area Median Income (AMI). Starting in April, eligible homeowners making up to 120% AMI may be invited to apply. To find AMI for your community, please visit the [HUD Income Limits website](#).



All other eligibility criteria remain the same. OOR is only for owner-occupied single family or manufactured housing units that sustained damage in a qualifying FEMA-declared disaster. To learn more about OOR eligibility, please visit the website.

ReCoverCA Case Managers will reach out to homeowners who have completed a Housing Needs Assistance survey and may fall into this expanded population. Interested homeowners can [complete the survey online](#) or [find your local Case Manager](#) on the ReCoverCA website.

Please note that households at or below 80% AMI will still be prioritized. Refer to the [OOR Program Policies and Procedures](#) for additional information on eligibility. If you have questions about the program, please call (916) 202-1764 or email RecoverCA@hcd.ca.gov.



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