

# 2017/2018 Community Development Block Grant (CDBG) – Substantial Action Plan Amendment (APA 3 and 4)

Public Meeting - English May 24<sup>th</sup>, 2023



## Housekeeping

- You can access the **Draft Action Plans** here:
  - 2017 CDBG-DR APA 3
  - 2018 CDBG-DR APA 4
- All participant lines are muted upon entry
- Use "Raise Hand" feature
- Use Chat for questions
- Open for public comment at the end of the presentation



## **Agenda**

- Introductions
- Action Plan Amendment and Timeline
- Overview of changes
- Program Changes to 2017
- Program Changes to 2018
- Open for Public Comment Period



## California Department of Housing and Community Development

Mission: Provides leadership, policies, and programs to preserve and expand safe and affordable housing opportunities and promote strong communities for all Californians.

- Grants and funding
- Mobile home registration
- Building standards
- Planning and community development
- Policy and research



## Why are Action Plans Amended?

- Action Plans gets amended multiple times throughout the grant life cycle
- Changes to Action Plans are substantial or nonsubstantial
  - Substantial amendments require public comment period
- Action Plans are Amended to:
  - adjust program and budget allocations
  - program design elements
  - add or remove programs



## 2017 CDBG DR - Action Plan

**2017 CDBG-DR** HUD Allocation on August 14, 2018, **\$124,155,000** for DR-4344 and DR-4353

2017 CDBG-DR Action Plan Approved by HUD March 15, 2019

### **✓ 2017 CDBG-DR Action Plan Amendment #3**

- Substantial amendment
- Updates Owner-Occupied Program to add subsidized loan program for eligible Solution 1, LMI applicants
- Submit to HUD in June 2023



## 2018 CDBG-DR Action Plan

- 2018 CDBG-DR HUD Allocation January 27, 2020,
  \$1,017,399,000 for DR DR-4407 and DR-4382
  - 2018 CDBG-DR Approved by HUD, November 19, 2020
  - 2018 CDBG-DR Action Plan Amendment # 4
    - Substantial Amendment
    - Updates Owner-Occupied Program to add a subsidized loan option for eligible Solution 1, LMI applicants
    - Updates Program and Budget
    - Submit to HUD in June 2023



## **Action Plan Amendment Timeline**

- Substantial Amendments require formal public comment period
  - May 1<sup>st</sup> to June 1st 2023: Public Review Period
    - Meetings with local governments
      - May 24<sup>th</sup> and May 25<sup>th</sup>
  - June 2023: Submit to HUD
    - HUD Review (60 days)
  - Summer 2023: Programs will be rolled out



# Overview of Changes for both 2017 and 2018 CDBG-DR



## Proposed Changes to OOR for Both Action Plans

## Owner Occupied Rehabilitation and Reconstruction Program (OOR)

- Add Subsidized Forgivable Loan Program
  - ✓ Loan to LMI households, \$10,000 \$250,000 loan amounts
  - ✓ Available only to state managed reconstruction (Solution 1)
  - ✓ Awarded in addition to grant funds
  - ✓ Based on the amount of the applicant's gap
  - √ 5-year deed restriction
  - ✓ Additional assistance use private funds or other resources
  - ✓ Exceptions considered case-by-case basis



## Proposed Changes to OOR for both Action Plans

### Subsidized Forgivable Loan Program

- Grants up to \$500k and subsidized loan up to \$250k
  - Maximum assistance amount will be \$750k
    - o increased from \$500k
- Deed restriction or restrictive covenant two years for grants and five years for subsidized loans
  - Property cannot be sold, rented, used as second home, or its use changed
  - Compliance for restriction will be monitored annually by HCD
  - Failure to comply will result in recapture of funds
  - Underwriting requirements will be outlined in Program Policies & Procedures manual



# Budget Change for 2018 CDBG-DR



## 2018 APA 4 BUDGET ALLOCATION

## Activity Delivery Costs (Program Delivery):

 Originally, \$66,392,850 in AP budget, allocated to programs in this Amendment

PROGRAM	CURRENT ALLOCATION		APA 4 ALLOCATION	
	PROGRAM ALLOCATION	PERCENTAGE OF TOTAL	PROGRAM ALLOCATION	PERCENTAGE OF TOTAL
Housing Programs	\$480,794,752	47.3%	\$529,855,816.20	52.08%
Infrastructure	\$347,428,488	34.1%	\$389,348,700.80	38.27%
Economic Revitalization	\$40,695,960	4%	\$46,542,372.33	4.57%
Program Delivery	\$66,392,850	6.5%	<b>\$0</b>	0%
Planning	\$31,217,000	3.1%	\$782,160.67	.08%
Administration	\$50,869,950	5.0%	\$50,869,950	5.0%
Total CDBG-DR Funds	\$1,017,399,000	100.0%	\$1,017,399,000	100.0%



## **Action Plan Amendment Timeline**

- Substantial Amendments require formal public comment period
  - May 1<sup>st</sup> to June 1st 2023: Public Review Period
    - Meetings with local governments
      - May 24<sup>th</sup> and May 25<sup>th</sup>
  - June 2023: Submit to HUD
    - HUD Review (60 days)
  - Summer 2023: Programs will be rolled out



## **Public Comment**

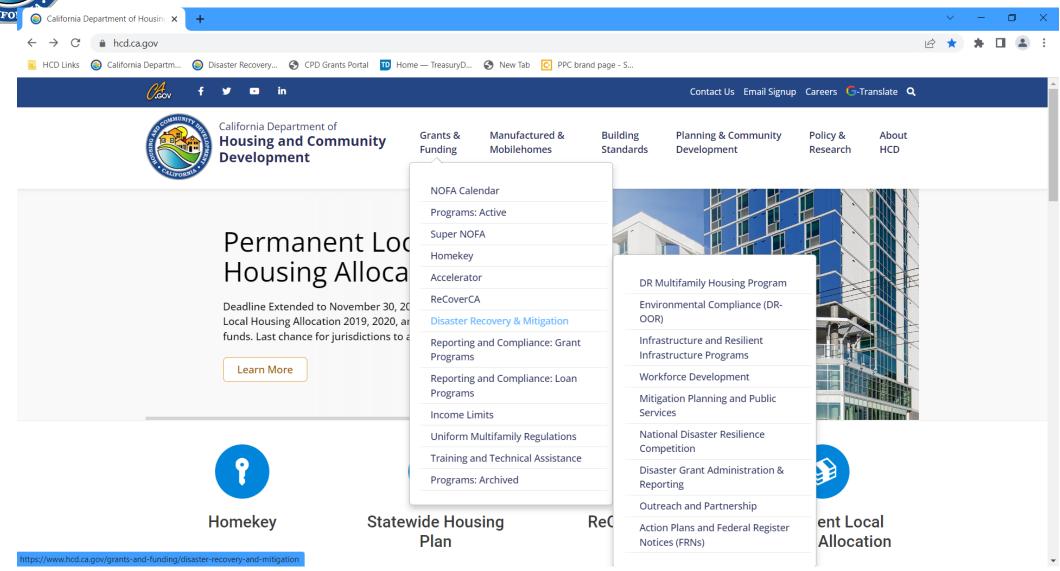
- Review the draft document here:
  - 2017 CDBG-DR APA 3
  - 2018 CDBG-DR APA 4
- Submit your comment and/or question via chat feature or raise your hand
- Submit your comment and/or question via email: <u>disasterrecovery@hcd.ca.gov</u>



## Where to go for the Draft Action Plan?

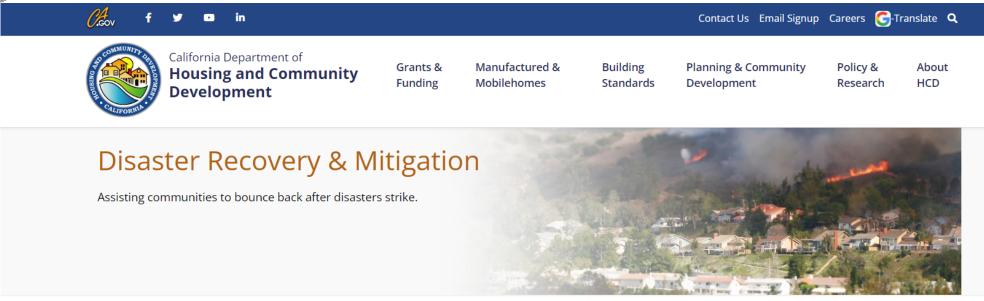


## **HCD** Website





### **HCD** Website



Home > Grants & Funding > Disaster Recovery & Mitigation

### Disaster Recovery & Mitigation

Community development includes more than just new development. HCD works to help communities recover after disasters (such as droughts, fires, and floods) by administering special federal funds for both recovery and mitigation purposes. When appropriated funds from HUD, HCD works with local governments and organizations to support programs that provide long-term





### **HCD** Website

CDBG-DR

CDBG-MIT | Multifamily | Single Family

Infrastructure

Community Development

Planning

Climate Mitigation | Show All

### Disaster Recovery Multifamily Housing Program (DR-MHP)

DR-MHP works with local governments and developers in areas impacted by disasters, helping to (re)build multifamily housing projects and generate crucial affordable housing units.

View Disaster Recovery Multifamily Housing

#### Workforce Development (DR-Workforce)

DR-Workforce helps fund local governments, community colleges, and nonprofits in affected areas develop their workforces' skills to help their economies develop and recover after disasters.

View Workforce Development

### **Disaster Grant Administration &** Reporting

Procurements, Contracts, administration manuals, reports, trainings, and other helpful information.

#### **Environmental Compliance (DR-OOR)**

The Disaster Recovery Branch has made this tool to aid homeowners impacted by disasters with the necessary environmental documents.

View Environmental Compliance (DR-OOR)

### Mitigation Planning and Public Services (MIT-PPS)

MIT-PPS funds help local governments and nonprofits in affected areas provide services and increase resiliency against future disasters.

<u>View Mitigation Planning and Public Services</u>

### Outreach & Partnership

Citizen participation, public comment, and partner resources

#### Infrastructure and Resilient Infrastructure (DR-INF/MIT-RIP)

DR-INF/MIT-RIP funds helps local governments in impacted areas rebuild their communities' infrastructure in a more resilient manner to withstand future natural disasters based on lessons learned.&.

View Infrastructure and Resilient Infrastructure

### National Disaster Resilience Competition (NDR)

HCD and Tuolumne County won NDR funds to help the County rebuild from the 2013 Rim Fire.

**View National Disaster Resilience Competition** 

#### Action Plans and Federal Register Notices

Action Plans and applicable Federal Register lotices.

## **Questions and Public Comment**





## **THANK YOU**

### **Contact Information**

HCD Disaster Recovery Unit DisasterRecovery@hcd.ca.gov

Maziar Movassaghi - Chief Disaster Recovery Officer Maziar.Movassaghi@hcd.ca.gov

Clay Kerchof – Disaster Recovery Specialist Clay.Kerchof@hcd.ca.gov

Mona Akbar - Disaster Recovery Specialist Mona.Akbar@hcd.ca.gov