



White Paper

Decoding the Latest CDBG-DR Infrastructure Requirements

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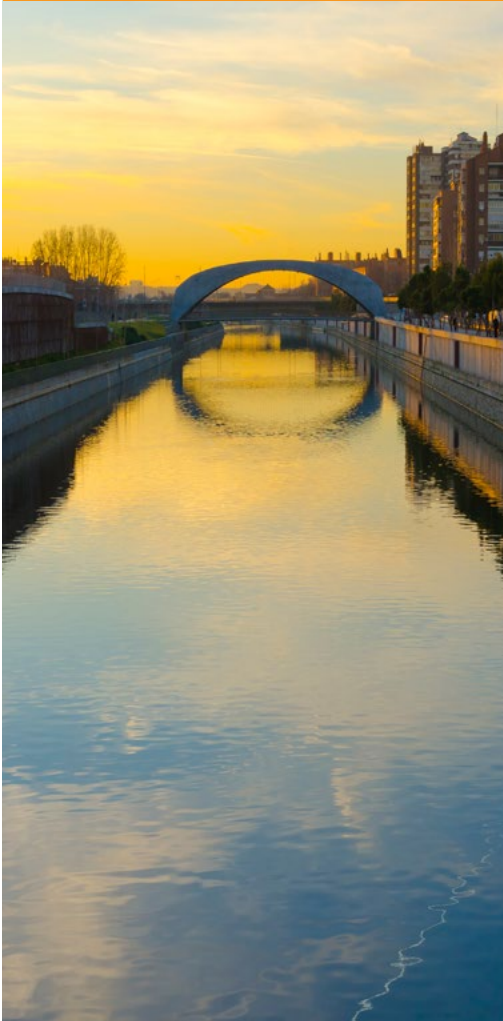
Highlights

- CDBG-DR can support critical infrastructure projects—either directly or as match for other federal funding sources.
- While these programs offer crucial assistance to communities in need, grantees and subrecipients need to develop them in compliance with U.S. Department of Housing and Urban Development (HUD) requirements.
- This paper outlines new HUD requirements for the use of CDBG-DR funds for infrastructure recovery, and how those requirements impact implementation.

Executive Summary

To build a more resilient community following a natural disaster, grantees and subrecipients must understand how to secure and leverage CDBG-DR funds in support of infrastructure recovery. That might include addressing damage incurred to roads and bridges; water and wastewater facilities; and other public facilities (except for buildings used for the general conduct of government).

Following the spate of natural disasters in late 2017—including Hurricanes Maria, Harvey, and Irma—the U.S. Department of Housing and Urban Development (HUD) announced several new infrastructure requirements for CDBG-DR grantees. This paper outlines those requirements and explains how they impact program management and design.



Key Takeaways

- Infrastructure projects must include long-term resiliency.
- Grantees must address storm water management in flood prone areas as part of their Action Plan.
- Repairing existing levees and dams is permitted but expansion of these facilities is not.

What's New?

Linking Infrastructure Recovery to Unmet Housing Needs. After a disaster, the devastated infrastructure often becomes a more visible focal point for local officials, and the needs of homeowners and renters can be easily overlooked. The current Federal Register notice clearly indicates that infrastructure needs may be met only after unmet housing needs are met, or infrastructure activities must somehow contribute to the long-term recovery and restoration of housing in the most impacted and distressed areas. Grantees should be able to demonstrate to HUD that chosen infrastructure activities protect housing from future flooding, or somehow contribute to resilient neighborhoods.

What does this mean for grantees? In short, for each selected infrastructure project, the grantee must explicitly address how the proposed infrastructure project will address an unmet housing need or aid in housing recovery/resiliency. For example, grantees may want to consider adding an element in their scoring of infrastructure applications that addresses mitigation and improves resilience of the surrounding housing stock. In neighborhoods that require elevation, an infrastructure improvement such as a flood wall or large drainage activity may be more cost-effective.

Adhering to Green Infrastructure Policies. HUD encourages grantees to implement green infrastructure policies to the extent practicable. While not required, grantees should consider adding energy efficiency and resilience measures to any new or rehabilitated infrastructure activities. CDBG-DR funds may be used to improve structures beyond their original condition, so grantees should explore ways to use these funds to improve longevity or lower operating costs using green building techniques.

Building Long-Term Resilience Against Natural Hazards. Grantees using CDBG-DR funding for infrastructure must include a description of how the proposed infrastructure activities will advance long-term resilience to natural hazards and how the grantee intends to align these investments with other planned State or local capital improvements. Grantees should also describe how preparedness and mitigation measures will be integrated into rebuilding activities and how the grantee will promote community-level and/or regional post-disaster recovery and mitigation planning.



At the Action Plan level, grantees should describe:

- the process they will use to select projects that incorporate resiliency.
- the manner in which funded projects will leverage other local, state and federal resources with CDBG-DR funds.
- how they will bring a regional approach to planning infrastructure activities; and
- how its scoring system for activity selection will reward projects that incorporate resilience. For example, grantees could consider adding a resilience multiplication factor that awards extra funds to projects that add resilient features.

Ensuring the Viability of Storm Water Management Systems. Grantees must describe how they will address the construction or rehabilitation of storm water management systems in flood impacted areas. State grantees must work with local governments in the most impacted and distressed areas to identify the unmet needs and associated costs of needed storm water infrastructure improvements. For grantees that experience flooding, they should analyze flooding patterns and determine whether an improved storm water management system could have prevented or mitigated flooding in the most impacted and distressed (MID) areas.

Grantees should anticipate the use of planning dollars to address this issue on a comprehensive basis, as HUD is concerned about using CDBG-DR funds to repeatedly address flooded homes in areas that lack proper drainage infrastructure. In order to address these issues, grantees can:

- perform a study to determine the cost of improving that storm water system;
- construct GIS maps of floodwater drainage patterns and conduct studies to determine how to best move storm water away from human habitation;
- determine the cost of implementing these measures within its jurisdiction.

If possible, this study should be performed prior to the release of the additional \$15.934 billion in CDBG-DR funding for mitigation, so that projects can be readily identified in the Action Plan for that funding.

Elevating Non-Residential Structures Above the Floodplain. Non-residential structures must be elevated to at least two feet above the 100-year floodplain or flood-proofed in accordance with 44 CFR 60.3(c)(3)(ii) which entails maintaining the elevation at ABFE but flood-proofing and hardening any floors below ABFE, (including basements) and all critical actions within the 500-year floodplain must be elevated to the higher of the 500-year floodplain elevation or 3 feet above the 100-year floodplain. Any public facility located within a floodplain must be elevated at least 2 feet, if not higher.

Critical actions (e.g., hospitals, fire stations, etc.) must be elevated even higher. Grantees should have checks in place to identify whether a public facility meets the definition of "critical action" and flag these facilities for additional review. Also, grantees should use the latest ABFE floodplain maps prior to designing infrastructure projects.

Failure to identify and properly elevate critical action facilities could lead HUD to require other costly mitigation techniques if the elevation is insufficient. In many cases, the cost of relocating critical action facilities out of the floodplain may be more cost effective than elevation. For critical action facilities that are designed to house people (e.g., hospitals, nursing homes, emergency shelters) the grantee should pay attention to whether egress routes are located within the floodplain and mitigate those routes.

Use of CDBG-DR Funds as Local Share for other Federal Funds. CDBG-DR funding, used strategically, can provide an excellent source of "local match" for other projects requiring local participation. Most often, CDBG-DR funds are used to provide the match required for FEMA Hazard Mitigation Grant Program (HMGP) or Public Assistance (PA) projects. It can also be used for some Federal Highway Administration and Environmental Protection Agency Water Wastewater projects. The activity to be matched must be CDBG-DR eligible. However, grantees must maximize the use of local funds when carrying out match projects, describe how they will do so and document all local match included in projects.

ICF Disaster Recovery Services

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We've been there—in states, cities, counties, and small-islands, in the United States and around the world—designing programs, setting up systems, building capacity, and developing policies and procedures to help communities tackle seemingly insurmountable challenges. Having worked with federal, state, and local government agencies for nearly every major natural disaster in recent U.S. history, we understand the social, economic, and cultural challenges these communities face.

About the Authors



Brandy Bones (AICP, PMP) has 12 years of experience helping states and localities implement disaster recovery, neighborhood stabilization, and affordable homeownership and rental programs. She is an expert in the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG), CDBG Disaster Recovery (CDBG-DR), HOME Investment Partnerships (HOME), Neighborhood Stabilization Program (NSP), and Choice Neighborhoods programs. Ms. Bones is experienced in program and project implementation, policy and procedures development, and data tracking, analysis, and reporting. Ms. Bones leads ICF's disaster recovery work with HUD and recently led the development of HUD's CDBG-DR Launch Toolkit and is working on a disaster preparedness and recovery toolkit for HUD's Office of Housing Counseling. She has designed disaster recovery programs in Louisiana, New Jersey, and Pennsylvania and is currently leading a HUD Technical Assistance engagement in the U.S. Virgin Islands.



Steve Higginbotham has 17 years of experience in the administration of HUD's Community Development Block Grant (CDBG) program. As a HUD senior community planning & development specialist, he provided technical assistance in the start-up and administration of every grantee in HUD's \$85 billion CDBG Disaster Recovery (CDBG-DR) portfolio and served as the lead grant manager for the states of Texas and New Jersey. Since 2015 Mr. Higginbotham has also led the team responsible for developing HUD's CDBG-DR policy guidance and issuing the Federal Register Notices that allocated CDBG-DR funds to program grantees. Prior to his disaster recovery work, Mr. Higginbotham served as a grant manager in HUD's State CDBG program, where he provided technical assistance to the Southwest border states (California, Arizona, New Mexico, and Texas) and Puerto Rico. He also authored a CPD Notice on combining CDBG and HOME program funds in colonias and the proposed rule for State CDBG administrative changes. Mr. Higginbotham also served nine years in the Army National Guard, with a deployment to Iraq in support of Operation: Iraqi Freedom.



Sue Southon is a development professional, trainer, and strategic planner with over 30 years of experience in community, economic development, and affordable housing production. She has managed several technical assistance engagements for the U.S. Department of Housing and Urban Development (HUD), where she provided senior expertise on program design, organizational structure and staffing requirements, budget development, regulatory compliance, and project underwriting. She has assisted major disaster recovery initiatives in Louisiana, New Jersey, and Pennsylvania to develop housing recovery programs,

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organizational structure, and staffing projections. She is recognized as a subject matter expert in redevelopment, program design, policies, procedures, document templates and checklists, and provision of technical assistance with regulatory issues. Ms. Southon garnered this expertise through years of working with states and localities where she served as a strategic adviser to local governments, community development organizations, and private developers. She served as a trainer for the International Economic Development Council (IEDC), Professional Certification Program, the Economic Development Institute, and the National Association of Workforce Boards.

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