





COMMUNITY DEVELOPMENT BLOCK GRANT – MITIGATION (CDBG-MIT) Overview

Updated 04/28/2021

RELEASE OF FUNDS



HUD rules for new CDBG-MIT Program are located in two Federal Register notices for Puerto Rico: the Main Notice at 84 FR 4583 and the Puerto Rico Allocation Notice at 85 FR 4676.

Federal Register

84 FR 45838

CDBG-MIT Main Notice Released on August 30, 2019

85 FR 4676

CDBG-MIT Allocation for Puerto Rico Released on January 27, 2020

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT Decket No. TR-R180-H-02] RIN 2006-ZA02 Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Mitigation Grantees ARDKY: Office of the Assistant	A. Mitigation Definition B. Action Phon. Substantial Assentiments, B. Action Phones. Substantial Assentiments, C. Mass Impacted and Distances Assentiation of Grant Pacases W. Deversiew of Grant Pacases W. Applicable Rules, Statuton, Walvers, and Aircraftive Requirements A. Grant Administration and Action Plan Requirements B. Housing and Robust Placelysis Instances E. Infrastrutures	Modical, Hazardnuz Maturial (managamant) and Energy (Power & Fud): and frame disaster costs (e.g., adoption of forward-booking land use plans that integrate the hazard mitigation plan, latent edition of the published nisaster-excitant building codes and standards (to include wildland atheater-mixing flood and all hazards, ASCE-24, and ASCE-7 respectively), vertical flood elevation
Secretary for Community Planning and Development, HUD. ACTION: Notice.	D. Romonic Development VI. Certifications and Collection of Information VII. Duration of Funding	protection, and policies that encourage hazard insurance for private and public facilities); and
ACTOR: Notice. SOMMARY: This notice allocates 56.873 billion in Community Development Block Grant Minigation (CDRC-MIT) funds to grantees neuvering from qualifying 2015, 2016, and 2017 diaseters. Funds allocated by this notice were medie available by the Further Additional Supplemental Appropriations for Diaseter Rollof Requirements Act, 2016 (approved February 9, 2014) (the "Appropriations Act"). This notice describes grant nequirements and procedures, including werves and allocrative requirements, applicable to CDRC-MIT made only. The Department arknowledges ther growmance and financial management provide the second financial management from the CDRC-MIT made only. The Department arknowledges the provide financial management provide the second financial management from the CDRC-MIT made only. The Department arknowledges the management of the second second provide the provide second financial management from the U.S. Virgin blands for mitigation and the urgent provide additional times to Pareto Rice and the U.S. Virgin blands to urgen with the Department to address these issues. DATE: Applicability Date: September 4, 2019. Con ULTS ACT and Assistance, Community Plasming and Development, Department of Housing and Urban Development, 451 7th Street SW, Room 2027. Working sequencing and Urban Development, 451 7th Street SW, Room 2027. Working sequencing and the sequencing areas this mander via TY by calling areas this mander via TY by calling areas the mander	<text><text><text><text><text></text></text></text></text></text>	 Advances the impact of available finds by measuring law reage, pervasion of the observation of

RELEASE OF FUNDS

HUD's definition for mitigation is new and stipulated in the Federal Register specifically for CDBG-MIT activities at 84 FR 45838. Puerto Rico currently awaits an additional release of \$1.93 billion for electrical power system enhancements.

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CDBG-MIT

Mitigation activities are those that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

- HUD, 84 FR 45838

January 27, 2020 \$8.285B

mitigation funds

Awaiting \$1.93B

electrical power system enhancements

IENT OF HOUSING AND	A. Mitigation Definition	Medical, Hazardous Material
EVELOPMENT	B. Action Plan, Substantial Amendments, and Govered Projects	[management] and Energy (Power & Fuel); and future disaster cuets (e.g.,
. FR-6109-N-02]	C. Must Impacted and Distressed Areas	adoption of forward-looking land use
LAG2	III. Allocations IV. Overview of Grant Process	plans that integrate the hazard
Common Annual Section	V. Applicable Rules, Statutes, Waivers, and	mitigation plan, latest edition of the
is, Common Application, and Alternative Requirements unity Development Block gation Grantees	Albertative Requirements A. Grant Administration and Action Plan Requirements B. Housing and Related Floodylain Issues	published disaster-rocistant building codes and standards (to include wildland urbas interface, flood and all
	C. Infrastructure	hazards, ASCE-24, and ASCE-7 respectively), vertical flood elevation
ffice of the Assistant for Community Planning and int, HUD. tice.	D: Economic Development VI: Contifications and Collection of Information VII: Duration of Funding	protection, and policies that encourage hazard insurance for private and public facilities); and
	VIII. Catalog of Federal Domestic Assistance	 Maximize the impact of available
This notice allocates \$6.875	D. Finding of No Significant Impact	funds by encouraging leverage, private- public partnerships, and coordination
ommunity Development t Mitigation (CDBG-MIT)	L Overview and Policy Objectives	with other Federal programs.
anheas recovering from	The Further Additional Supplemental	The guiding structure and objectives
2015, 2016, and 2017	Appropriations for Disaster Relief	established for CDBC-MIT funds hear
unds allocated by this notice	Requirements Act, 2018 (Division B, Subdivision 1 of the Bipartisan Budget	similarities to other federal programs that address hazard mitigation,
available by the Further	Act of 2018, Pub. L. 113-123, approved	particularly FEMA's Hazard Mitigation
Supplemental	February 9, 2018) (the "Appropriations	Grant Program (HMGP). Accordingly,
ions for Disaster Relief its Act, 2018 (approved	Act"], made available \$28 billion in	HUD has structured this notice and its
2018] [the "Appropriations	Community Development Block Grant	requirements to complement HMCP
notice describes grant	disaster recovery (CDBG-DR) funds, and directed HUD to allocate not less than	policies and processes where possible. For example, both CDBG-MIT funds
s and procedures, including	s12 billion for mitigation activities	and FEMA HMGP funds require
alternative requirements, CDBG-MIT funds only.	proportional to the amounts that CDBG-	grantees to conduct a multi-hazard risk
ont acknowledges the	DR grantous received for qualifying	assessment to inform projects and
nd financial management	disasters in 2015, 2016, and 2017. This	programs. Additionally, grantee use of
f the Commonwealth of	notice accordingly allocates \$6,875,044,000 in CDBG-MIT funds for	CDBG-MIT funds will be focused on effectively addressing risks to
and the un-going capacity	mitigation activities consistent with the	indispensable services that enable the
ns in the U.S. Virgin		continuous operation of critical
ordingly, the allocation of Commonwealth of Puerto	CDBG-MIT funds represent a unique	business and government functions, and
U.S. Virgin Islands for	and referencess of heateness on frameses	that are critical to the protection of
nd electrical power system	to use this assistance in areas impacted	human health and safety, or economic security, as described in section
its shall be governed by	by recent disasters to carry out strategic and high-impact activities to mitigate	V.A.2.a.[1] of this notice.
notices in order to provide	disaster risks and reduce future losses.	The Appropriations Act provides
ins to Puerto Rico and the Islands to work with the	While it is impossible to eliminate all	CDBG-MIT funds as a supplemental
to address these issues.	risks, CDBG-MIT funds will enable	appropriation to the Community
icubility Date: September 4.	grantees to mitigate against disaster	Development Block Grant (CDBG) program. Accordingly, the alignment of
	risks, while at the same time allowing	CDBG-MIT funds with other federal
INFORMATION CONTACT: orth Koms, Acting Director, ck Grant Assistance,	granises the opportanity to transform State and local planning. Through this allocation for mitigation, HLD weeks to:	mitigation programs must also occur within the basic CDBG framework. The national objectives of the CDBG program
y Planning and Development.	 Support data-informed investments 	are: (a) Providing benefit to low- and
of Housing and Urban	in high-impact projects that will reduce	moderate-income persons; (b)
nt, 451 7th Street SW, Room	risks attributable to natural disasters,	preventing or eliminating slum and
ngton, DC 20410, telephone	with particular focus on repetitive loss	hlighting conditions; or (c) addressing a
-708-3587. Persons with peech impairments may	of property and critical infrastructure: • Build the capacity of States and	severs and recently arising urgent community welfare or health need.
umber via TTY by calling	local governments to comprehensively	Unlike other forms of Federal disaster
Relay Service at 800-877-	analyze disaster risks and to update	recovery assistance, CDBG-DR and
ile inquiries may be sent to	hazard mitigation plans through the use	CDBG-MIT grants have a statutory focus
202-708-0033. (Except for	of data and meaningful community	on benefiting vulnerable lower-income
mber, these telephone not tull-free). Email	support the adoption of policies	people and communities and targeting the most impacted and distressed areas.
w he sent to divaster	that reflect local and regional priorities	The Appropriations Act requires that
d.gov.	that will have long-lasting effects on	prior to the obligation of CDBG-DR
RY INFORMATION:	community risk reduction, to include	funds by the Secretary, a grantee shall
lambs	the risk reduction to community	submit a plan to HUD for approval
ad Policy Objectives	lifelines such as Safety and Security, Communications, Food, Water,	detailing the proposed use of all funds including the criteria for eligibility and
5-MIT Funds	Sheltering, Transportation, Health and	how the use of these fands will address

MITIGATION REQUIREMENTS

Mitigation activities must meet the four key HUD requirements listed below. The HUD definition referenced in item 1 below was introduced in the previous slide. The additional three requirements are further described in the following four slides.



2 - MUST ADDRESS CURRENT AND FUTURE RISK IN MID AREAS



Projects will not qualify for funding unless they directly relate to an unmet need identified in the multi-hazard risk assessment. This risk assessment is built on the FEMA Hazard Mitigation Planning (HMP), planning framework.



All 78 municipalities considered HUD Most Impacted and Distressed

MULTI-HAZARD RISK ASSESSMENT

Risk-based Mitigation Needs Assessment that identifies analyzes of all current and future disaster risks

Must consult with HMGP-eligible jurisdictions, including the State Hazard Mitigation Officer (SHMO)

Must use the most recent risk assessment completed through the FEMA HMP

If a jurisdiction is currently updating an expired HMP, the grantee must consult with the agency

3 - CDBG ELIGIBLE ACTIVITIES

CDBG-MIT is based on the same regulatory framework as CDBG-DR and largely follows the same regulatory requirements for eligible activities – but differs in that activities must serve a mitigation purpose.



3 - CDBG ELIGIBLE ACTIVITIES (Continued)



The activities listed here are examples of eligible use of funds from the Mitigation Federal Register Notice. Determining eligible activities, eligible subrecipients, and allocations to different programs was part of the planning process. These details were included in the Action Plan.



4 - HUD NATIONAL OBJECTIVE & TIE BACK

New national objective criteria for CDBG-MIT include the following:



- New **urgent need mitigation (UNM)** national objective. Requires activities to **result in measurable and verifiable reductions in the risk** of loss of life and property from future disasters and yield community development benefits.
- Shall not rely on the national objective criteria for elimination of slum and blight (S&B). This is so because this national objective is not appropriate in the context of mitigation activities.
- Low- and moderate-income (LMI) priority. Proposed mitigation programs and projects must prioritize the protection of low-and-moderate income individuals. No less than 50% of the grant must benefit LMI.



CDBG-MIT activities **do not require a "tie-back"** to a specific event, but must meet criteria set by HUD for mitigation.



4 - CDBG-MIT COVERED PROJECTS



Covered projects are a new concept under HUD and defined based on funding thresholds. For these projects, a Benefit Cost Analysis (BCA) must be completed utilizing the FEMA process, unless a comparable analysis can be produced showing significant benefit to LMI populations.



Covered Projects are as an infrastructure project having **a total project cost of \$100 million or more, with at least \$50 million of CDBG funds** (CDBG, CDBG-DR and/or CDBG-MIT).¹

A Covered Project requires the completion of a Benefit Cost Analysis (BCA).

Covered Projects must be added to the original Action Plan or by substantial amendment, which each include a public comment period.

¹On March 2021, HUD waived the special grant condition that imposed a lower threshold for Covered Projects in Puerto Rico

CDBG-MIT ACTION PLAN OUTREACH & ENGAGEMENT

STAKEHOLDER SECTORS



PRDOH has engaged with public agencies, municipalities, federal partners, NGOs, academic community, the private sector and the people of Puerto Rico. Input from all these stakeholders was considered as part of the Action Plan development. For more information, see Appendix E in the Action Plan.





DEPARTMENT OF

HOUSING

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https://www.cdbg-dr.pr.gov/CDBG-MIT