

PRESENTATION

COMMUNITY DEVELOPMENT BLOCK GRANT- DISASTER RECOVERY

Hurricane Sally Virtual Public Hearing

Presented by: Benjamin Melnick

Slide #1: INTRODUCTION SLIDE

Ben: Hello everyone. Welcome to the Florida Department of Economic Opportunity's Rebuild Florida Disaster Recovery Funding for Hurricane Sally Virtual Public Hearing. My name is Benjamin Melnick, and I serve as the Deputy Secretary of Community Development here at DEO. Thank you to everyone who has joined us today. Please submit your questions in the chat feature.

Today's slides and transcript have already been posted on the Rebuild Florida Hurricane Sally webpage for your convenience. Let's get started.

SLIDE #2: AGENDA

Ben: The goal for today's presentation is to provide information on and an overview of DEO's Office of Long-Term Resiliency or OLTR, Community Development Block Grant – Disaster Recovery (CDBG-DR) program funding for Hurricane Sally, and the State Action Plan. Following the overview of our key points, I will discuss the process to develop the federally required State Action Plan, its main components, and our next steps in this process. First, a brief background on Hurricane Sally.

SLIDE #3: HURRICANE SALLY

Ben: Hurricane Sally made landfall in Gulf Shores, Alabama, on September 16, 2020, as a Category 2 hurricane. As it slowly moved across the Gulf Coast, Hurricane Sally brought winds, storm surge, and excessive rainfall causing extensive damage across the Florida Panhandle. Thousands of structures were damaged in Escambia and Santa Rosa counties, and approximately 50 structures were destroyed. A study from the University of Florida estimates that Hurricane Sally caused \$55–100 million in agricultural losses in the western Florida Panhandle. On November 1, 2021, the U.S. Department of Housing and Urban Development, or HUD, announced that the Department will receive \$113,191,000. On March 22, 2022, HUD announced an additional allocation of \$74,192,000, totaling \$187,383,000 in funding to support long-term recovery efforts following Hurricane Sally through DEO's OLTR. On February 3, 2022, the Federal Register was published, which you can access on our website at [RebuildFlorida.gov](https://www.RebuildFlorida.gov). The state of Florida's State Action Plan is due to HUD no later than June 8, 2022. The action plan must be approved by HUD in order to access the funding. CDBG-DR program funding is designed to address needs that remain after all other assistance has been exhausted.

SLIDE #4: OLTR OVERVIEW

Ben: OLTR supports long-term recovery housing needs, infrastructure, and economic development in Florida communities impacted by disasters through the Rebuild Florida program. DEO administers various HUD grant programs, which include CDBG-DR and Community Development Block Grant – Mitigation or CDBG-MIT. The Department is currently administering long-term recovery programs for Hurricanes Hermine, Matthew, Irma, Michael, and soon, Sally. Currently, DEO has over \$2.3 billion in funding to assist with Florida's long-term recovery efforts from the impacts of these hurricanes. The majority of this funding is being used to assist families with rebuilding damaged homes. The state of Florida is committed to helping homeowners, small businesses, and communities affected by these storms and assist them in becoming more resilient to future disasters. DEO is initiating the process of accessing more than \$187 million in funding for Disaster Recovery for Hurricane Sally through guidance provided by HUD. Now let's discuss CDBG-DR funding.

SLIDE #5: CDBG-DR FUNDING

Ben: HUD's CDBG-DR program is designed to address long-term recovery needs after other assistance has been exhausted, including federal assistance and private insurance. CDBG-DR recovery activities typically begin 12-18 months after a disaster. In this chart, you will see an example of the order of events that take place before CDBG-DR funding becomes available. When a disaster takes place, the state will first declare a disaster and begin using state and other assistance available. Then the Federal Emergency Management Agency (FEMA) and the U.S. Small Business Administration (SBA) will begin providing assistance once the President has declared a disaster. Congress will then vote on a funding package, and once the President signs it into law, HUD will publish administrative rules in the Federal Register and then CDBG-DR assistance will begin. We will now take a look at the timeline for the State Action Plan for Hurricane Sally.

SLIDE #6: CDBG-DR STATE ACTION PLAN FOR HURRICANE SALLY

Ben: On May 6, 2022, the 30-day public comment period began for the Draft CDBG-DR State Action Plan for Hurricane Sally. The public comment period will close on June 6, 2022, at 6:00 pm Eastern Time. Public comments can be submitted by email, mail, or through the public comment form. Through June 7, 2022, the Department will review and respond to public comments. By June 8, 2022, DEO must submit the final action plan to HUD for their 60-day review. DEO will conduct ongoing stakeholder outreach throughout this process.

SLIDE #7: STATE ACTION PLAN OVERVIEW

Ben: The Draft Action Plan for Hurricane Sally was posted for public comment on May 6, 2022, and includes the 2022 Community Development Block Grant – Disaster Recovery allocation, the disaster recovery needs assessment, the risk-based needs assessment, an overview on the eligible communities and activities, and a description of the programs that will be offered to the affected communities.

SLIDE #8: MOST IMPACTED AND DISTRESSED (MID) AREAS

Ben: Of the \$187 million made available, at least 80 percent of those funds must be spent in HUD-designated Most Impacted and Distressed areas, otherwise known as MID areas. Those areas include Escambia County, the 32583 Zip Code in Santa Rosa County, and municipalities within Santa Rosa County. Up to 20 percent of the remaining funds can be spent in State-designated MID areas, which include Bay, Okaloosa, and Walton counties. Additionally, 70 percent of the funds allocated must benefit low-and moderate-income communities. Once received, the state has six years to expend all CDBG-DR funding. Now, we will discuss project requirements in order for entities and counties to be eligible for funding.

SLIDE #9: ELIGIBLE ACTIVITIES OVERVIEW

Ben: All entities and counties must propose projects that meet the state action plan and Federal Register requirements in order to be eligible for funding. Requirements include projects that primarily serve low-to-moderate income (LMI) populations, projects for infrastructure that support low-to moderate-income housing or meet an urgent need, projects that do not duplicate benefits, and activities funded by the CDBG-DR mitigation set-aside do not require a “tie-back” to the specific qualified disaster that has served as the basis for the grantee’s allocation. Grantees must also demonstrate that mitigation activities funded meet the definition of mitigation activities, address the current and future risks as identified in the grantee’s mitigation needs, be CDBG-eligible activities under Title I of the Housing and Community Development Act (HCDA), and meet a national objective.

SLIDE #10: ELIGIBLE ACTIVITIES OVERVIEW CONTINUED

Ben: Once all requirements are met, eligible activities include the restoration of infrastructure that was damaged by Hurricane Sally, the creation of public facilities such as emergency community shelters in the event of future disasters, the demolition or rehabilitation of publicly or privately owned commercial or industrial buildings, and economic revitalization, which includes any CDBG-DR eligible activities that directly restore or improve some aspect of the local economy.

SLIDE #11: CDBG-DR TIMELINE FOR HURRICANE SALLY

Ben: We are currently in the first phase of the timeline as we develop our State Action Plan. The State Action Plan will serve as a guide to administer long-term recovery funds for Hurricane Sally. While HUD reviews our Action Plan, we will move into phase 2 where we will develop policies and procedures, design the applications for the programs, and develop scoring criteria. We are also required to have a funding agreement with HUD. Until the funding agreement is signed by the State and HUD, DEO is not able to implement proposed programs. Please be aware that the program launch may take time after the Action Plan is approved. DEO will work with communities to provide technical assistance as they develop their applications. For phase 3, the application cycle for our infrastructure program will likely be between 60-90 days. After we receive applications, we will score them and conduct site visits. Then, we will announce award funding and can move into Phase 4 for implementation. During this phase, awards will be funded, executive grant agreements will be executed, DEO will provide technical assistance to those that need it, and monitoring will be conducted. Now we will discuss the options you have when submitting your public comment.

SLIDE #12: HOW TO SUBMIT A PUBLIC COMMENT

Ben: The State Action Plan for Hurricane Sally has been posted on the Hurricane Sally webpage, which is linked [here](#) for your convenience. The Department encourages interested parties to submit their comments using the public comment form linked on the same webpage. Comments may also be submitted through email or mail. All comments must be submitted by Monday, June 6, 2022, at 6:00 p.m., Eastern Time. Any comments submitted by mail must be postmarked on or before June 6, 2022.

SLIDE #13: COMMENTS/QUESTIONS

Ben: If you would like to learn more or stay up to date on Rebuild Florida Hurricane Sally funding, visit the Rebuild Florida Website at www.RebuildFlorida.gov or email any questions you might have to CDBG-DR@DEO.MyFlorida.com. This concludes the presentation portion of our webinar.

DEO Secretary Dane Eagle and I thank you for joining us today for the Hurricane Sally Virtual Public Hearing, and we look forward to receiving your comments.