

The Use of Federal Block Grants in Long Term Recovery

FEMA Individual Assistance/ESF6 Annual
Conference, San Diego CA

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FEMA



Session Description & Objectives

- Explore the use Federal Block Grants as a possible tool in long term recovery
 - Community Development Block Grants (CDBG)
 - Social Service Block Grants (SSBG)
- Share perspectives and best practices from local, state, and federal stakeholders
- Examine areas for further collaboration

Welcome & Introductions

- Jono Anzalone, Regional Voluntary Agency Liaison, FEMA Region VII (Kansas City, MO)
- “Collaboration is difficult and costly. There is no immediate or obvious reward for collaboration when not in crisis. *There are glaring penalties for lack of collaboration during crisis*”
 - National Philanthropy Summit - Planning Disaster: The Role of Philanthropy in Anticipating and Responding, October 12-14, 2009

Overview of HUD CDBG

- Jan C. Opper, Associate Deputy Assistant Secretary for Disaster Policy & Management, U.S. Department of Housing & Urban Development

SSBG – Missouri

- Karen Benson, Missouri Conference Coordinator of the United Methodist Committee on Relief and Chair of the Missouri Government, Faith-Based & Community Partnership
- Dante Gliniecki, Statewide Volunteer Coordinator, State of Missouri

Purpose of SSBG

- Social Services Block Grant (SSBG) funds are to enable each State to furnish social services best suited to meet the needs of the individuals residing within the State. Such services may be, but are not limited to: daycare for children or adults, protective services for children or adults, special services to persons with disabilities, adoption, case management, health-related services, transportation, foster care for children or adults, substance abuse, housing, home-delivered meals, independent/transitional living, employment services or any other social services found necessary by the State for its population.

Goals of SSBG

- Services funded by the SSBG as far as practicable under the conditions of that State are directed at one or more of five goals: achieving or maintaining economic self-support to prevent, reduce or eliminate dependency; achieving or maintaining self-sufficiency, including reduction or prevention of dependency; preventing or remedying neglect, abuse or exploitation of children and adults unable to protect their own interest, or preserving, rehabilitating or reuniting families; preventing or reducing inappropriate institutional care by providing for community-based care, home-based care or other forms of less intensive care; and/or securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions

Legislative Authority

- The Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, [Public Law (P.L.) 110-329] was signed into law on September 30, 2008, providing \$600 million in additional funds to the SSBG program (“SSBG Supplemental Funds”) to address necessary expenses resulting from hurricanes, floods, and other natural disasters occurring during 2008 for which the President declared a major disaster, and from Hurricanes Katrina and Rita.

Legislative Authority - Supplemental

- Fiscal Year (FY) 2008 SSBG Supplemental Funds awarded in FY 2009 are only available to those States directly affected by hurricanes, floods, and other natural disasters occurring between January 1, 2008, and September 30, 2008 (the date of enactment for the law authorizing funds), or Hurricanes Katrina and Rita.

Administration

- Federally administered by: U.S. Department of Health and Human Services, Administration for Children and Families, Office of Community Services
- State administered by Missouri State Emergency Management Agency (SEMA) through an agreement with Department of Social Services (DSS)

Assistance Available For

- Home and/or foundation repair
- Total rebuilds
- Re-leveling, and/or elevation of homes
- Mobile home replacement
- Replacement of flooring, appliances & other household items
- Debris clean-up/removal
- Building site preparation
- Repair or rebuild of private roads
- Emergency assistance
- Other allowable long term recovery unmet needs

Accessing Assistance

- Contact local Long Term Recovery Committee where one exists

OR

- Contact SSBG Case Management section directly

Deadlines

- Scheduled to end Dec 31, 2010 with all funds encumbered by Sept 30, 2010
- An extension is being requested which would continue the availability of funds through Dec 31, 2011, to be encumbered by Sept 30, 2011

For More Information on SSBG

- <http://www.acf.hhs.gov/programs/ocs/ssbg/>

Next Steps

- CDBG/SSBG Communications Group
 - Quarterly Calls
 - To be added to the Communications Group distribution list, email jono.anzalone1@dhs.gov
- Collaboration with state agencies administering federal block grants and VOADs
 - Lack of cooperation causes long delays and lines. **The inability to collaborate and cooperate can inflict greater harm than the original disaster.**
 - National Philanthropy Summit - Planning Disaster: The Role of Philanthropy in Anticipating and Responding, October 12-14, 2009.

Open Forum: Best Practices and Q&A

Contact Information

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Community Development Block Grant Disaster Recovery Assistance



Community Development and Housing Assistance through Cities, Counties and States

- Grantees may request expedited awarding of annual CDBG and HOME funds or that program year start dates be moved up. Grantees may reprogram funds for disaster recovery activities.
- HUD may provide waivers in the CDBG and HOME programs to increase the flexibility and the effectiveness of using funds for disaster recovery.
- Additional funding may be available via supplemental appropriations.



Section 122 (CDBG): Suspension of Requirements for Disaster Areas

“For funds designated under this title by a recipient to address the damage in an area for which the President has declared a disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Secretary may suspend all requirements for purposes of assistance under section 106 for that area, except for those related to public notice of funding availability, nondiscrimination, fair housing, labor standards, environmental standards, and requirements that activities benefit persons of low- and moderate-income.”

CDBG Program Characteristics

- **Formula allocation to City, County or State**
- **Extremely broad range of eligible activities**
- **Emphasis on benefit to low/mod persons**
- **Opportunity for citizen input**
- **Local governments choose and implement activities**
- **Moderate waiver authority**

Possible CDBG Activities

- Acquisition of real property
- Relocation payments for residents and businesses
- Demolition and clearance
- Construction, reconstruction and rehabilitation of public works and facilities, and housing
- Rehabilitation of commercial and residential property and conversion of structures
- Job retention/creation economic development
- Portion of non-federal cost-share for projects meeting CDBG requirements

The money and the grantees

\$6.1 billion for 2009 funds for whole year 2008 events

\$300 million 2008 funds for 15 states for May-June events

\$19.7 billion 2006 funds for the states of Alabama, Florida, Louisiana, Mississippi, and Texas

\$150 million 2005 funds for 10 states for 2003-2004 events

\$3.483 billion 2001-2 funds for New York's ESDC and LMDC

Appropriation and allocation

- **Congress appropriates funds for disaster recovery**
- **HUD collects data and makes allocation**
- **Allocations go to Congress and Federal Register**

Program design and waivers

- **Grantees tell HUD what disaster recovery programs and activities they want to implement**
- **Based on the grantee programs, HUD advises grantees what waivers to request to facilitate recovery**
- **HUD publishes waivers and alternative requirements in Federal Register Notices**

Application and management

- **Grantee applies via Action Plan process**
- **HUD reviews for completeness and compliance; provides grant agreement and line of credit**
- **State or local government manages programs in accordance with rules and Action Plan**
- **Internal audit function required**
- **Projects may be contracted out and funds sub-granted**

How does the program work?

Most State CDBG rules and principles apply:

- Grantee chooses activities
- Grantee submits Action Plan
- Each activity is eligible and meets a national objective
- Each activity must meet purposes of supplemental law
- Grantee designs management procedures (including monitoring, oversight, and internal audit)
- Grantee draws funds from a U.S. Treasury line of credit
- HUD monitors for compliance with Action Plans and rules

How does the program work?

- Oversight from HUD Field offices or HQ
- eLOCCS with budget line items until DRGR enhanced
- DRGR Action Plans or paper initial submission
- DRGR quarterly performance reports
- HUD monitoring and OIG audits based on risk analysis
- Substantial waivers and alternative requirements
- Stay consistent with “overall purpose of the Act”

Eligibility

All the usual CDBG eligible activities in HCD law

- Housing**
- Infrastructure**
- Economic Development**
- Waiver probably needed for new construction of housing**
- Other waivers based on laws, activity details and need**
- Related to supplemental appropriation purpose**
- Included in an Action Plan**

Critical requirements?

- Meeting civil rights certifications including:
 - Required recordkeeping
 - Affirmatively furthering fair housing (AFFH)
 - Section 3 – employment
 - Section 504
- Making sure all recipients, subrecipients, developers, and contractors know responsibilities

- **Citizen participation**
- **Financial management**
 - **Procurement**
 - **Document necessary and reasonable costs**
 - **Internal Controls**
 - **Reconcile accounts to DRGR**
 - **Program income**
- **Environmental review**
- **Labor standards (Davis-Bacon)**
- **Acquisition of real property / relocation**
- **Administration / planning cap – 5% entitlement style**

Critical requirements?

- Eligible (CDBG and supplemental)
- Grantee is responsible for day-to-day management
 - Subrecipient monitoring
 - Contractor management
 - Beneficiary data
 - Internal audit function within grantee
- General Record keeping
 - Document day-to-day management
 - Retain at least 3 years after overall Grantee-HUD closeout
- Privacy
- FOIA

Web resources

- **HUD Disaster Recovery Resources:**
<http://www.hud.gov/disarelf.cfm>
- **Labor stds:**
<http://www.access.gpo.gov/davisbacon/>
- **DRGR:**
<http://www.hud.gov/offices/cpd/communitydevelopment/programs/drsi/drgrs.cfm>
- **Environment:**
<http://www.hud.gov/offices/cpd/environment/index.cfm>
- **Active grants:**
<http://www.hud.gov/offices/cpd/communitydevelopment/programs/drsi/index.cfm>

Resources and Contacts...

Your local HUD office

or

HUD Headquarters Program Contact:

Office of Block Grant Assistance

Disaster Recovery & Special Issues Division

e-mail: Disaster_Recovery@hud.gov

website: www.hud.gov/disarelf.cfm

Questions?

