



STATE OF
MISSOURI CDBG
DISASTER
RECOVERY
DRAFT ACTION
PLAN (DR-4451)
August 2020

PURPOSE FOR TODAY'S PUBLIC HEARING

- ▶ The Department of Housing and Urban Development (HUD) has allocated \$30,776,000 in Community Development Block Grant funds for Disaster Recovery(CDBG-DR) in response to the 2019 disaster (DR-4451)
- ▶ The purpose of today's public hearing is to provide residents, agency partners, and stakeholders, impacted by the 2019 disaster (DR-4451) an opportunity to:
 - ▶ Ask questions about the goals of the CDBG-DR funding.
 - ▶ Understand the proposed programs and max award amounts.
 - ▶ Provide comments regarding the Draft Action Plan and proposed programs.
 - ▶ Opportunity to ask questions and provide comments will follow this presentation.
- ▶ Comments will be accepted both orally and in writing.

WHAT ARE CDBG-DR FUNDS?

- ▶ Disaster Recovery: The Department of Housing and Urban Development's (HUD) Community Development Block Grant Disaster Recovery (CDBG-DR) provides funding for unmet needs after Federal Emergency Management Agency (FEMA) funds, insurance, and other federal or private sources are accounted for, with a focus on the needs of low- and moderate-income residents and businesses.
 - ▶ The CDBG-DR funds for DR-4451 were (HUD) appropriated by the January 27, 2020 Federal Register Notice, 85 FR 4681.
 - ▶ At least 80% of funds must be used in the HUD most impacted and distressed (MID) areas identified in Notice. Due to the results of the Unmet Needs Analysis, DED has determined that 100% of the funds will be used in the HUD MID areas.
 - ▶ Expend at least 70% of the funds on activities benefiting LMI residents.

Overall Proposed Action Plan Budget

- ▶ Budget Uses. Missouri's 2019 DR-4451 CDBG-DR program will follow the guidelines below:

<u>COST</u>	<u>PERCENTAGE</u>	<u>\$ BUDGETED</u>
Administration Costs	5%	\$ 1,538,800
Planning Costs	3.3%	\$ 1,000,000
Housing Program	91.7%	\$ 28,237,200

Detailed Proposed Action Plan Program Budget

PROGRAM	ACTIVITY	MAX \$	NATIONAL OBJ	% OF GRANT	\$ AMOUNT
ADMINISTRATION	ADMINISTRATION			5%	\$ 1,538,800
PLANNING	PLANNING			3.3%	\$ 1,000,000
HOUSING	PROGRAM & DELIVERY	ALLOCATIONS • Cole County \$ 7,059,300 • Holt County \$ 5,647,440 • St Charles County \$15,530,460		91.7%	\$ 28,237,200
	<i>Affordable Multi-Family Housing Project</i>	<ul style="list-style-type: none"> \$5M To be used with additional leveraged funding 	<ul style="list-style-type: none"> LMI Benefit 		
	<i>Local Voluntary Buyout</i>	<ul style="list-style-type: none"> Pre-Disaster Fair Market Value of Home Incentives up to \$100,000 Demolition of old home 	<ul style="list-style-type: none"> LMI Area Benefit LMI Benefit LMI Buyout LMI Housing Incentive Urgent Need 		
	<i>Acquisition for Development of Affordable Housing</i>	<ul style="list-style-type: none"> Post-Disaster Fair Market Value of Home Includes demolition of old home To be used with additional leveraged funding 	<ul style="list-style-type: none"> LMI Benefit Urgent Need 		
TOTAL				100%	\$30,776,000

Allocations: Most Impacted and Distressed Areas

County	% Allocated	\$ Allocated
Cole	25%	\$ 7,059,300
Holt	20%	\$ 5,647,440
St. Charles	55%	\$15,530,460
Total	100%	\$28,237,200

Draft Action Plan Program Review



Program Activities

- ❖ Local Voluntary Buyout Program
- ❖ Voluntary Acquisition for Development of Affordable Housing
- ❖ New Construction for Multifamily Affordable Housing

Local Voluntary Buyout Program

- Acquisition is based on pre-disaster FMV minus any duplication of benefits
- Incentive payment to encourage resettlement
- Properties connected to the local voluntary buyout program will be cleared and demolished

This project meets the National Objective by “buying out” low-to-moderate income and vulnerable population households and mitigating the property that is vulnerable to repetitive flooding. Properties are deed restricted in perpetuity.

Eligible Applicant is a Unit of General Local Government

There is no maximum grant amount that the UGLG may apply for, however the application must demonstrate unmet need and priority for budget request.

Eligible Costs include those costs necessary to carry out the buyout activities. Must comply with 2 CFR Part 200 Subpart E Cost Principles.

Acquisition for Development of Affordable Housing

This activity provides for the acquisition and demolition of blighted or disaster damaged properties and related acquisition activities (including relocation expenses) where the immediate re-use of the property is the development of affordable housing. Affordable housing may include both affordable home ownership and affordable rental.

CDBG-DR funds may only pay for the acquisition, demolition and related acquisition and relocation expenses. The redevelopment of the property to affordable housing, which must be part of the overall project, shall be paid by private and other funding sources, not including CDBG-DR. Affordability periods will apply.

Eligible Applicant: Non-profit or for-profit developer

Maximum Thresholds: Per acquisition, the program will pay the post-disaster FMV of the property in addition to the demolition and related acquisition and relocation expenses. Costs subject to 2 CFR Part 200 Subpart E Cost Principles.

Meets National Objective when affordable housing units are occupied by income eligible households.

Multifamily Affordable Rental Housing

This activity is designed to increase the affordable housing stock by leveraging CDBG-DR loan funds with LIHTC or other Missouri Housing Development Commission multifamily funding for an Affordable Multi-Family Housing project.

This activity meets National Objective by the occupancy of affordable rental units by income eligible households. Affordability monitoring requirements apply.

The State of Missouri will deliver this activity directly. Non-Profit and For-Profit developers will apply to leverage the CDBG-DR funds through the Missouri Housing Development Commission (MHDC) Qualified Allocation Plan (QAP).

- Eligible Applicant: Non-Profit and For-Profit Developers
- Leveraged funds will include LIHTC and/or other MHDC Multi-Family funding
- CDBG-DR Loan size limit- Maximum amount is \$5,000,000.
- Proposed start and end dates- Aligns with MHDC QAP

Timeline and Citizen Engagement



Citizen Engagement and Participation

Public Comment Period: The State must publish the Action Plan for Disaster Recovery on a public website for no less than 30 calendar days for public comment.

Deadline to submit Public Comments is Saturday, August 29 at 5pm

Please visit the DED's Disaster Recovery website
[https://ded.mo.gov/disaster recovery](https://ded.mo.gov/disaster-recovery)

Providing Public Comments

WebEx Meeting attendees who would like to provide public comments will each be given three minutes to speak.

Those wishing to speak today are encouraged to also submit a written copy of their comments.

Written public comments may be submitted by:

Email: MOCDDBG-DR@ded.mo.gov

Postage Mail: P.O. Box 118 Harry S Truman Building, Jefferson City, MO 65102-0118

Label or note your comment: is for CDBG-DR (DR-4451)

Deadline to submit public comments is August 29, 2020 by 5pm

For additional information, please visit the DED's CDBG Disaster Recovery website

https://ded.mo.gov/disaster_recovery

Questions

You may either use the chat feature or make sure that you unmute yourself (possibly with a double mute).

Thank you for your interest today in the
CDBG Disaster Recovery Program for DR-4451.