



**Community Development Block Grant – Disaster  
Recovery (CDBG – DR) Frequently Asked Questions**

## Purpose

The Mobile County Commission has been awarded \$28,379,808 in US Department of Housing and Urban Development (HUD) Community Development Block Grant - Disaster Recovery (CDBG-DR) funding to address the unmet needs from Hurricanes Sally and Zeta by the Alabama Department of Economic and Community Affairs (ADECA). As part of the agreement between ADECA and the County, an Unmet Needs Assessment (UNA) and Local Recovery Plan (LRP) must be completed prior to any projects being awarded. The Mobile County Commission is seeking the assistance of municipalities, tribes, and the public to grow their understanding of how the community has been affected and how the funding should be implemented.

This document is intended to provide an overview of the CDBG-DR program, UNA process, and LRP development process. This document may be updated as Programs are finalized and implemented.

See the Mobile County Commission's CDBG-DR website, <https://www.mobilecountyal.gov/cdbg-dr-hurricanes-sally-and-zeta-1/>, for updates and additional information.

## Record of Changes

The following table summarizes changes to these FAQs.

Date Approved	Version Number	Description of Changes
02/23/2024	1.0	Initial Publication

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## Program Overview

### WHAT IS CDBG-DR?

CDBG-DR is built upon the basic requirements of the annual CDBG program which is authorized by the United States Department of Housing and Urban Development (HUD) Title I of the Housing and Community Development Act of 1974. CDBG-DR is the last step of disaster recovery, created to provide flexible grants to states and local governments to support long-term recovery efforts.

### WHAT IS THE PURPOSE OF CDBG-DR FUNDING?

CDBG-DR funding is designed to address housing, infrastructure, economic development, and mitigation needs that remain after other assistance has been exhausted, including federal assistance as well as private insurance.

### HOW WILL THE CDBG-DR FUNDING ALLOCATION BE DISTRIBUTED?

According to the Subrecipient Agreement with ADECA, the Mobile County Commission must spend their **\$28,379,808** allocation in the following manner:

- Housing Activities - \$12,135,432
- Non-Housing Activities - \$15,244,376
- Local Recovery Planning Program - \$1,000,000

It is important to note that all potential projects and partners will be guided by eligible activities and unmet needs. Not all municipalities, tribes, and special districts are guaranteed to receive CDBG-DR funding.

### WHAT IS A TIE-BACK TO A DISASTER?

A tieback is the process of documenting a project so that there is a clear link between the covered disaster and the project. The tieback must document how the activity addresses a disaster related impact and how it serves to restore housing, infrastructure, or the economy. It must also demonstrate a logical connection to the disaster; and how it will contribute to long-term recovery.

For example: A local street flooded and damaged adjacent homes and businesses. The storm drains were repaired using CDBG-DR funding. The project is eligible because the local government has FEMA worksheets identifying the area that was damaged (in addition to other qualifying criteria). Note that the drainage repair is eligible even if the street flooded frequently, beyond just the covered disaster.

### DO PROJECTS FUNDED USING CDBG-DR FUNDING NEED TO HAVE A TIEBACK TO THE DISASTER?

CDBG-DR funds address disaster recovery needs – including disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization- that are not met by other sources of Federal disaster assistance. For every funded applicant or project, they must document a tie to the qualifying disaster (except for mitigation activities).

## ARE PROJECTS REQUIRED TO MEET A NATIONAL OBJECTIVE?

Yes, to qualify for CDBG-DR funding, projects must meet one of the following National Objectives set forth in section 104(B)(3) of the Housing and Community Development Act of 1974. Below are the three National Objectives:

- Benefit people from low- to-moderate economic resources.
- Assist in the prevention or elimination of slums and blight.
- Meet an urgent need.

## Program Eligibility and Implementation

### WHAT TYPES OF ENTITIES ARE ELIGIBLE TO APPLY FOR CDBG-DR FUNDING?

Units of general local government (UGLU) (i.e., cities, villages, townships, and tribes) are eligible to apply for CDBG-DR funding.

Other entities, such as public schools (K-12), universities, eligible non-profit organizations, and other local program applicants that are eligible to receive Federal recovery funds will be evaluated based on grant criteria, in coordination with their UGLG. Coordination with a UGLG may require the UGLG and interested eligible entity to enter into a formal agreement memorializing their relationship, such as a Memorandum of Understanding (MOU), outlining the expectations of each party.

### ARE CERTAIN POPULATIONS A PRIORITY FOR FUNDING?

Yes. The Mobile County Commission will focus on funding projects that benefit Low to Moderate Income (LMI) populations in order to meet the overall 70% low-to-moderate income benefit level applicable to the entire CDBG-DR funding allocation.

### WHAT TYPES OF PROGRAMS/PROJECTS ARE ELIGIBLE TO BE FUNDED?

CDBG-DR funds must be used toward disaster recovery activities, addressing disaster relief, restoration of infrastructure, housing, economic revitalization, and mitigation directly related to Hurricanes Sally and Zeta. Exact programs/projects are not yet planned for Mobile County but will be announced following ADECA's approval of the Local Recovery Plan (LRP).

### HOW IS AFFORDABLE HOUSING DEFINED?

HUD defines Affordable Housing as housing where a household can afford to spend no more than 30% of their income.

Grantees, such as ADECA, must expend (unless stated otherwise in the Federal Register Notice) no less than 50 percent of their grant award for activities which support the recovery of households at or below 80 percent of Area Medium Income (AMI).

### WHAT TYPES OF HOUSING ACTIVITIES ARE ALLOWABLE?

Affordable Housing activities generally consist of the following:

- New Construction
- Rehabilitation
- Demolition

There are generally four (4) Affordable Housing property types consisting of the following:

- Single-family
- Multi-family
- Apartment Complexes
- Townhomes

## IS THERE A PROGRAM TO ASSIST HOMEOWNERS WHO WERE IMPACTED BY THE HURRICANES?

ADECA is the responsible entity for the Home Recovery Alabama Program (HRAP). This program provides housing assistance to eligible single-family owner/occupant applicants and owners of single-family rental properties affected by the disasters. Additional information can be found here: <https://adeca.alabama.gov/cdbg-disaster-recovery/hurricanes-sally-and-zeta/>

## WHAT TYPES OF ACTIVITIES ARE ALLOWABLE THAT ARE NON-HOUSING RELATED?

The non-housing allocation that was received will be allocated to projects conducting activities in the following categories with examples of those types of activities:

- Infrastructure – Repair, replacement, or relocation of damaged public facilities
- Economic Revitalization – Workforce training program or Downtown revitalization improvements
- Planning – Vulnerability analysis, resiliency plan, stormwater management plan
- Mitigation – Elevating critical infrastructure

## ARE THERE ANY ACTIVITIES THAT ARE INELIGIBLE?

There are several uses of CDBG-DR funds that are considered ineligible. A comprehensive list of ineligible activities can be found in 24 CFR 570.207.

- Buildings for general conduct of government
- Operation and maintenance expenses
- Political activities
- Activities restricted in the appropriation laws
- Activities with no link to identified disaster-related impact, except for mitigation activities
- Purchase of equipment
- Furnishings and personal property

## IF FUNDS HAVE ALREADY BEEN EXPENDED ON A PROJECT, CAN THE MUNICIPALITY OR TRIBE BE REIMBURSED FOR THOSE FUNDS?

No, CDBG-DR funding is considered funding of 'last resort.' CDBG-DR funding cannot be used to reimburse things that have already been paid for by another source.

## DOES THE MOBILE COUNTY COMMISSION HAVE A TIMELINE FOR ALLOCATING FUNDING FOR PROJECTS?

The Mobile County Commission anticipates being able to allocate funds following ADECA's approval of the LRP, applications are received and signed agreements are in place between the County and local partner.

## Unmet Needs Assessment (UNA) and Local Recovery Plan (LRP)

As part of the Subrecipient Agreement with ADECA, the Mobile County Commission is required to conduct a UNA and submit an LRP prior to awarding projects.

The UNA must:

- Be completed before deciding how to allocate the CDBG-DR funding.
- Identify and prioritize critical unmet needs for long-term recovery.
- Consider work already accomplished, community goals, and County's capacity to plan for, manage, and implement a coordinated long-term recovery process.
- Each municipality, tribe and/or organization's data is critical to obtaining the most accurate assessment of the community's needs.

It is important to note that information from the UNA will be used to craft the LRP.

The LRP will utilize the housing, infrastructure, and economic data collected during the UNA to develop a comprehensive recovery plan. The LRP will:

- Expand upon community needs
- Provide a framework for awarding projects
- Include budgets per program/project and
- Set the groundwork for implementation of the projects.

The LRP will also set the timeline to spend all CDBG-DR funding prior to May 18,2028. Note that the closeout process starts six months before the end date.

## Cross-Cutting Requirements

CDBG-DR are Federal programs designed to help communities navigate disaster recovery. Though the programs are similar, there are multiple compliance requirements of the Federal programs to consider. Below is a list of CDBG-DR cross-cutting requirements that must be adhered to, include but are not limited to:

- Section 3
- Davis-Bacon and Related Acts
- Labor Compliance
- Civil Rights
- Duplication of Benefits
- Uniform Relocation Act
- Environmental Assessment

For further reference, see the HUD overview available [here](#).

### WHAT IS SECTION 3?

The Section 3 program requires that recipients of certain Housing and Urban Development financial assistance, to the greatest extent feasible, provide job training, employment, and contracting and other economic opportunities to low-or very-low-income persons.



## WHEN WOULD DAVIS-BACON AND RELATED ACTS APPLY TO MY PROJECT?

Davis-Bacon and Related Acts (DBRA) would apply when contracts and subcontracts performing on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Davis-Bacon contractors and subcontractors must pay their laborers and mechanics employed under the contract no less than the local prevailing wages and fringe benefits for corresponding work on similar projects in the area.

## AT WHAT DOLLAR AMOUNT DOES LABOR COMPLIANCE NEED TO BE FOLLOWED FOR A PROJECT?

Labor Compliance must be followed when implementing projects involving construction contracts in excess of \$2,000 must comply with the following laws and regulations:

- Federal Fair Labor Standards Act
- Davis-Bacon and Related Acts (described above)
- Copeland Anti-Kickback Act
- Contract Work Hours and Safety Standards Acts
- Alabama labor standards
- Local laws and regulations

## HOW DO CIVIL RIGHTS APPLY TO CDBG-DR?

HUD states that Those receiving HUD long-term disaster recovery funds through the Community Development Block Grant-Disaster Recovery (CDBG-DR) program are required to adhere to fair housing and civil rights laws, including the “Fair Housing Act,” the “Civil Rights Act of 1964,” the “Rehabilitation Act of 1973,” the “Americans with Disabilities Act,” and the “Housing and Community Development Act of 1974.” The regulatory requirements applying to each set of funds are laid out in allocation notices released by the agency in the *Federal Register*.

## WHAT IS A DUPLICATION OF BENEFITS?

A duplication of benefits (DOB) occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose within the same time period, and the total assistance received for that purpose is more than the total need for assistance.

## WHAT RULES SHOULD BE FOLLOWED IF A PROJECT COULD CAUSE DISPLACEMENT?

In the event of displacement, the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) would need to be followed. URA requires that individuals, households, and businesses who are displaced as of the result of the use of Federal funds receive relocation assistance. This assistance may be provided to renters displaced temporarily while repairs are undertaken for rental units.

For additional information, review HUD’s Overview of URA:

<https://www.hudexchange.info/programs/relocation/overview/#overview-of-the-ura>.

## IS AN ENVIRONMENTAL REVIEW REQUIRED FOR MY PROJECT?

Yes, before CDBG-DR program funds are expended, an Environmental Review must be completed. It is important to note that if an Environmental Review has been completed by another Federal Agency for the project, then that review can be adopted by HUD.

## Helpful Resources and Tools

Below are helpful resources and tools that will provide a better understanding of CDBG-DR and the disaster recovery programs available. If you have any program questions or comments, please submit an email to the following: [comments.cdbg-dr@mobilecountyal.gov](mailto:comments.cdbg-dr@mobilecountyal.gov).

<b>Resource</b>	<b>Link</b>
Mobile County Commissions CDBG-DR Website	<a href="https://www.mobilecountyal.gov/cdbg-dr-hurricanes-sally-andzeta-1/">https://www.mobilecountyal.gov/cdbg-dr-hurricanes-sally-andzeta-1/</a>
Alabama Department of Economic and Community Affairs CDBG-DR Website	<a href="https://adeca.alabama.gov/cdbg-disaster-recovery/">https://adeca.alabama.gov/cdbg-disaster-recovery/</a>
Home Recovery Alabama Program	<a href="https://homerecoveryal.com/">https://homerecoveryal.com/</a>
HUD Community Development Block Grant Disaster Recovery Program	<a href="https://www.hudexchange.info/programs/cdbg-dr/">https://www.hudexchange.info/programs/cdbg-dr/</a>
Federal Register Notice	<a href="https://adeca.alabama.gov/wp-content/uploads/2022-DR-Consolidated-Notice.pdf">https://adeca.alabama.gov/wp-content/uploads/2022-DR-Consolidated-Notice.pdf</a>