



Legislation Text

File #: 22-2125, Version: 1

STRATEGIC PRIORITY: Government Performance & Financial Management
AGENDA DATE: November 9, 2022
COUNCIL DISTRICT(S): All
DEPARTMENT: Budget and Management Services
EXECUTIVE: Jack Ireland

SUBJECT

Authorize **(1)** preliminary adoption of the City's Proposed 2022 Community Development Block Grant Disaster Recovery (CDBG-DR) Budget and draft Action Plan to accept Community Development Block Grant Disaster Recovery in the amount of \$24,433,000; and **(2)** a public hearing to be held on December 14, 2022, to receive comments on the proposed use of funds - Financing: No cost consideration to the City

BACKGROUND

In late April 2022, the Department of Housing and Urban Development (HUD) announced that approximately \$24.4 million has been allocated to the City of Dallas under the second tranche of funds released from the Disaster Relief and Supplemental Appropriations Act of 2022. This funding was allocated to the City as a result of the winter and ice storm that occurred in February 2021.

Community Development Block Grant Disaster Recovery (CDBG-DR) funds must only be spent for necessary activities related to disaster recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the "most impacted and distressed (MID)" areas of qualifying disasters. All of Dallas is included in the MID.

CDBG-DR funding supplements other Federal recovery assistance programs administered by the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA), and the United States Army Corps of Engineers (USACE). Funds cannot duplicate financial assistance or be used to reimburse for payments made from any other source. Since these recovery assistance programs provide similar assistance, HUD entered into a data sharing agreement with FEMA. HUD will share FEMA's data with grantees to prevent a risk of duplication of benefits. To receive the CDBG-DR funds, the City must develop an action plan detailing the use of funds that address unmet recovery needs and mitigation activities related to the disaster. The FEMA data must also be used to guide funding recommendations in the action plan.

The CDBG-DR action plan was originally due to HUD by September 28. Regulations require that the proposed plan be posted on the City's website to receive comments for no less than 30 days prior to submission to HUD. The 30-day posting requirement assumes that we have received the FEMA data. However, because the City had not received required FEMA data to inform development of the action plan, the City requested, and HUD authorized, a 90-day extension. The Action Plan submission due date is now December 28, 2022.

In order to meet statutory deadline requirements, preliminary information was used to develop the City's Proposed 2022 CDBG-DR Budget and draft Action Plan, pending receipt of FEMA's data. Upon receipt of FEMA's data, amendments will be proposed as necessary to be consistent with FEMA's data, including capped categories.

In general, CDBG eligible activities that address a disaster-related impact (directly or indirectly) throughout the city are eligible for CDBG-DR funding. Same as with other HUD funds, a focus on addressing housing needs is encouraged. Funds may only be used for unmet disaster recovery needs or mitigation activities not addressed by other resources. Reimbursements are not allowed, and 100 percent of the City's CDBG-DR funding must be spent on eligible activities within 6 years of HUD's execution of the grant agreement.

A summary of the City's Proposed 2022 CDBG-DR Budget and Action Plan will be made available for public review and comment on or about November 10, 2022 through December 13, 2022, and a notice will be published in the Dallas Morning News on or about November 13, 2022, to provide citizens an opportunity to submit written comments through December 13, 2022, satisfies the requirements set forth in HUD regulations.

This action authorizes preliminary adoption of the City's Proposed 2022 CDBG-DR Budget and draft Action Plan to accept Community Development Block Grant Disaster Recovery (CDBG-DR) in the amount of \$24,433,000 and a public hearing to be held on December 14, 2022 before the Dallas City Council.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

City Council was briefed on the City's Proposed 2022 Community Development Block Grant - Disaster Recovery Budget on October 19, 2022.

FISCAL INFORMATION

No cost consideration to the City.