



Good morning and welcome to CDBG over Coffee! I'm Melissa Gonzales, Lead Contract Specialist for TDA's Office of Rural Affairs. Also joining us today:

CDBG over Coffee presentations are informal webinars held throughout the year to help you and your community implement a successful CDBG project.

Before we get started, just a friendly reminder to please mute your lines at this time. Questions will be taken at the end of the presentation, and can also be submitted through the Instant Message feature.

So grab your cup of coffee, and lets get started...

Coordination for Disaster Relief

TxCDBG Disaster Relief grants assist communities following natural disasters.

- Restore to pre-disaster condition
- 12 month from the declaration
- Maximum grant: \$350,000

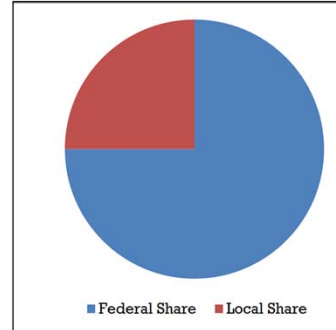


The Disaster Relief (DR) Fund addresses emergency situations that have received an official disaster declaration (either by the Governor or the President). Funds can be used to restore housing or infrastructure damaged by natural disasters such as tornadoes, hurricanes, floods, etc., to pre-disaster condition in design, function, and capacity. In a drought situation, the DR fund may also be used to install new facilities that resolve a primary drinking water supply shortage. DR fund applications are due within 12 months of the applicant being named in a disaster declaration, and may request up to \$350,000.

Coordination for Disaster Relief

TxCDBG Disaster Relief funds can address:

- **Repair / restoration of damaged infrastructure (stand alone or FEMA match)**
- **Matching funds for FEMA Hazard Mitigation project**



Applicants may request TxCDBG Disaster Relief funds as a stand alone project, fully funded through the grant. Matching funds are not mandatory for standalone projects, as long as there is sufficient funding to complete the proposed project.

Or an applicant may request DR funds to be used as the local share of a FEMA-funded project. This matching opportunity is available for FEMA Public Assistance or Hazard Mitigation grant projects.

Selection for Disaster Relief grants

TxCDBG Disaster Relief grants are awarded:

- **First-Come, First-Serve**
- **Priority for Basic Human Needs**
- **Optional: other project priorities may be announced**

- **Continuous application cycle – [Application Guide](#) generally updated in Jan/Feb**

TDA will award DR funds on a first-come first serve basis, meaning that complete applications will be review, approved, and awarded in the order they are received. Please note: TDA does not accept partial applications.

The 2018 Application Guide sets a priority for funding basic human needs – restoring water and sewer infrastructure, housing rehabilitation, and road reconstruction. This means that, should the Department receive more applications than there are funds available, TDA will award funds to projects that meet the priority before other projects. If there is sufficient funding for all submitted applications, this project priority will not impede the award process.

The Department has the option to announce new priorities based on current conditions, but there are currently no special priorities in place. Past special priorities in include prioritizing applications that address federally-declared disaster over state declarations, and prioritizing applications requesting to match FEMA funding over standalone projects.

The DR application is available on a continuous basis. Currently, the application and guidebook date January 2018 is available ion the TDA website. TDA generally updates the guidebook, including any adjustments to application procedures, documentation, or criteria, in January or February. Should all available DR funds be exhausted, TDA will post notice to the same TxCDBG- Disaster Relief webpage (linked on this screen).

Disaster Relief – the Same but Different

Program changes triggered by HUD:

- Limited “exempt” environmental reviews
- Public hearing prior to any work

Program changes triggered by FEMA/TDEM:

- Project Worksheet development process
- P4/P5 Closeout documentation
- Mitigation

The TxCDBG Disaster Relief Fund is a longstanding program, but there have been a few changes in recent years that may affect which projects are most appropriate for DR funding.

As a result of recent HUD decisions, TDA must now require several steps to be completed PRIOR to any eligible work being performed. Specifically, the applicant must hold a public hearing to take input on the work to be performed, and then complete an environmental review. Very few projects will be permitted to use the “exempt” category of review, so it is very important to complete the appropriate level of review as soon as possible. In practice, this means that TDA is generally not able to reimburse a community for work performed immediately after the event unless the community plans ahead for the grant requirements.

FEMA and the Texas Division of Emergency Management have also changed some of their procedures since the last time many of you applied for DR funding. TDA has a strong working relationship with TDEM staff, and we will continue to adjust our procedures as necessary to avoid duplication of effort. FEMA/TDEM has updated their project worksheet development process to use a centralized computer system – this impacts the timing of certain approvals. Also, changes to the PW closeout process have resulted in updated TDA documentation requirements. More on this in a few minutes. And TDEM has begun including more mitigation measures in Public Assistance requests. If an applicant for DR funding wishes to include both mitigation and public infrastructure restoration in its request, please contact TDA for additional discussion.

Applications for Disaster Relief

Recommended First Steps

- Evaluate damage and community needs - if considering applying for TxCDBG funding:
- Procure grant writer / administrator
(see [Pre-Qualified Administrator](#) process)
- Public participation (hearing / resolution)

If you are considering pursuing CDBG Disaster Relief funding, there are several steps to take immediately:

- Determine community infrastructure or housing has been damaged by the event, and whether TxCDBG funding is appropriate.
- Select a grant administrator – if local staff are not available or experienced with CDBG, we recommend using the Pre-Qualified Administrator process on TDA’s website. Through this process, TDA has completed the solicitation and open competition steps of the procurement process, and the applicant may review qualifications and select firms from the list of respondents to continue the selection process.
- Public participation is an important component of any CDBG project, so a public hearing **MUST** be held before any eligible project work is performed. This hearing is supported by a resolution from the applicant governing body.

Applications for Disaster Relief

Recommended First Steps (cont.)

- **Environmental Review**
 - Required for **every** TxCDBG funded project
 - Prior to obligating funds for a project
 - HUD process required, even if cleared by other agency

ALL TxCDBG projects are required to complete an environmental review prior to taking any “choice limiting actions” such as hiring a construction contractor or beginning repair work. The environmental review process may be very simple or very complex, depending on the project, but it is critical that the applicant begin as early as possible to avoid disallowed costs or project delays.

Please note that HUD administers environmental review process somewhat differently from other federal agencies. So even if the project has been cleared or determined exempt by FEMA or another agency, the community **MUST** complete the HUD environmental review process before performing work.

Applications for Disaster Relief

- **Standard Application Requirements**
- **Declaration of Disaster:**
 - **Presidential Declaration**
 - **Governor's Proclamation or
Letter from Governor's Authorized
Representative (GAR)**

In addition to the standard TxCDBG application requirements, applications for Disaster Relief grants require several additional documents. These documents show the coordination of state and federal resources following a disaster.

The initial document for coordination is the Declaration of Disaster. This must be issued at the federal or state level, local declarations are not sufficient. A state declaration can come in either of two forms: a proclamation by the Governor or a letter from his designated representative requesting agency's assistance. The authorized representative is currently Chief Nim Kidd, of the Texas Division of Emergency Management.

Applications for Disaster Relief

- **Project Worksheets (FEMA) or Preliminary Damage Assessment (TDEM)**
 - for each site/location
 - confirms that damage was result of disaster
 - identifies work and cost estimates

Another critical document for disaster relief coordination is the Project Worksheet. FEMA and TDEM are the agencies responsible for identifying and assessing damage from natural disasters, and their information is used to support and award the grant funding. To qualify for DR funding, the Project Worksheet must be site specific and include a description of the repair/restoration work to be completed and estimated costs.

If a PW cannot be prepared, please contact TDA for guidance. TDA will discuss the project with TDEM to confirm why there is no PW and any appropriate alternatives.

Applications for Disaster Relief

For Hurricane Harvey relief, alternate PW:

- for funding that is NOT to provide the local share for a FEMA funded project
- draft Project Worksheets
- printout or report generated through FEMA's Grants Portal

TDA and TDEM have communicated extensively about projects related to Hurricane Harvey and the availability of completed PWs. Based on this feedback, TDA will accept an alternate version of the usual documentation in certain cases.

If the application is NOT proposing to use CDBG funds for the local share of a FEMA funded project, the applicant must still submit a PW but may use the initial PW entered in FEMA's database without waiting for final routing and approval for federal funds. We have been advised that applicants should be able to pull this documentation from FEMA's Grants Portal once it becomes available. If funded, TDA will notify TDEM of the amount of grant funding the project has received.

If the application will use CDBG funds as a cost share with FEMA, this alternate strategy is not feasible at this time.

TDA will evaluate how this alternate strategy works, and will adjust as needed in the future.

Administration of Disaster Relief grant

- **See TxCDBG Project Implementation Manual**
 - **Competitive Procurement**
 - **Environmental Review**
 - **Davis-Bacon Labor Standards**
- **One year contract**

Once awarded, the administrative requirements of a Disaster Relief Grant are described in the TxCDBG Project Implementation Manual. All standard federal, state, and program requirements apply unless explicitly waived by TDA. Do NOT assume a requirement is waived based on the Disaster Relief funding category; any variation from TDA standard grant management procedures must be confirmed in writing. For example, if a community requests a waiver of competitive procurement based on the emergency situation, you must document the situation and how the urgency for carrying out the project will not permit delays caused by competitive advertising/solicitation. This approval may be requested during the application review period, but you MUST have prior approval from TDA in order for the costs to be considered eligible.

The grant contract period is twelve months. Since the grant funding is based on the urgent nature of the project and the need to restore infrastructure to original operations, it is very important that these grants are ready to proceed and make progress without delay.

Administration of Disaster Relief grant

- **Requests for Payment**
 - Source documentation for all CDBG-funded costs
 - Do NOT submit source documentation for costs paid or reimbursed by other agencies
 - FEMA match ratio calculated cumulatively – not necessary to request reimbursement for 25% of each individual PW

When it is time to request a drawdown for eligible costs, the basic CDBG Request for Payment requirements apply.

Please be sure to include complete source documentation for all of the costs that will be reimbursed through CDBG funds – this includes invoices, timesheets for force account labor, equipment use costs, etc. However, it is NOT necessary to submit source documentation for costs paid by FEMA; the applicant will provide documentation for those costs to FEMA according to FEMA requirements, but TDA will not collect or review cost documentation for FEMA's share of the project.

When determining which costs to submit for TDA reimbursement, please keep in mind that TDA will calculate the match ratio based on the cumulative portfolio of Project Worksheets supporting the contract. It is NOT necessary to submit costs for 25% of each Project Worksheet.

Closeout of Disaster Relief grant

- Closeout Goals:
 - Was the work completed?
 - Is the grant amount appropriate?
- TxCDBG Project Completion Report

When it is time to closeout a TxCDBG Disaster Relief grant, the goal is to determine:

- 1) Was the work described in the Project Worksheets**

submitted with the application in fact completed?

2) Does the local to federal match ratio require any reduction in grant funds?

There are several documents required. First, the standard Project Completion Report, as described in the TxCDBG Project Implementation

Manual. This form is required for all TxCDBG funded projects.

If the grant included on CDBG funds and no other matching agency, the no DR specific documentation is required for closeout.

Closeout of Disaster Relief grant

- For FEMA Match - Documentation that full project is complete and match ratio is accurate
 - FEMA Project Completion and Certification Report (Form P.4) signed by the community
 - TDA will confirm final funding amount with TDEM
 - Bank records of deposits from TDEM

For a project where CDBG funds provide the local share for a FEMA grant, the Form P4 provides confirmation to FEMA, TDEM, and TDA that the project has been completed.

Separately, TDA will confirm the final funding amount based on TDEM policies and audits.

Bank records are required to demonstrate deposits from TDEM, totaling at least the amount of the CDBG grant funds and contract match.

Closeout of Disaster Relief grant

- Local Official signs only when the PW work is complete
- TDA is interested in P4 for completion, not costs

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Federal Emergency Management Agency
Project Completion and Certification Report (P.4)
Disaster FEMA-423-DR-7X

Applicant FIPS ID: 133-18970-00 Applicant/Subscriber Name: EASTLAND COUNTY WATER SUPPLY DISTRICT

PW	Amendment #	Approved Proj. Amt.	Cost Share	Benefits	Work Item #	Estimated Cost/Item	% of Item	File Amount	Actual Date Completed	Am. Claimed by Applicant	Comments
PA-06				PA-06							
TX-				TX-4223-							
4223-	0	\$119,959.00	N	D	FW-	11-20-	96.5	\$119,959.00	8-18-16	139959.00	
FW-				0009		2016					
0009				(1772)							
Total for 1 PWs: \$119,959.00										\$139,959.00	
Subgrantee Admin: 30.00											
Grand Total: \$119,959.00											

Generated Date: 09/21/2016 23:42

Federal Emergency Management Agency
Project Completion and Certification Report (P.4)
Disaster FEMA-423-DR-7X

Applicant FIPS ID: 133-18970-00 Applicant/Subscriber Name: EASTLAND COUNTY WATER SUPPLY DISTRICT

I hereby certify that to the best of my knowledge and belief all work and costs claimed are eligible as accordance with the great condition. If work claimed has been completed, and all costs claimed FEMA State Agreement and I recommend an approved amount of \$ _____

Signed: Stan Secker Date: 8-2-16 Signature: _____ Date: _____

Applicant's Authorized Representative Governor's Authorized Representative

So what is a P4?

P4 stands for Project Planning & Purchasing Portal

For FEMA, the P4 is designed to systematically obtain information on program metrics

For TDA, it is a tool for closing grants that provide 25% matching funds for FEMA-funded projects using existing documentation

- Each Project Worksheet (PW) line on the P.4 has two blanks to be completed by the Applicant/Locality – “Actual Date Completed” and “Amount Claimed by Applicant”.
- The “Comments” blank is optional for use in explaining any unusual circumstances related to the PW.
- The Locality should sign the P.4 and submit to the State/TDEM, if all actions are completed. Submit a copy to your TDA Contract Specialist as well.
- TDEM no longer signs P4s, even though there is a signature blank for the agency, so do not wait for the GAR signature.
- TDA reviews the P4 to verify that the “Actual Date Completed” – the “Amount Claimed” is NOT used in any way to determine TDA funding.

Closeout of Disaster Relief grant

- **Final Costs For FEMA Match Project = Local Share (up to grant amount) of:**

- Small Projects – Project Worksheet Amount
- Large Projects – TDEM Audit Amount

[FEMA Small Project Thresholds](#)

[FEMA Policy Assistance Program and Policy Guide](#)

To determine the maximum amount of grant funds for federal match projects, TDA must know the final amount of FEMA funding provided. FEMA classifies projects as Small or Large based on a dollar threshold, and has different policies for each type – for events in 2017, a Small Project is no greater than \$123,100.

For Small Projects, the final funding amount is simply the Project Worksheet amount.

Once FEMA obligates a Small Project, the agency does not adjust the approved amount of an individual Small Project, even if actual costs for completing the eligible work differ from the estimated amount. Exceptions are very limited – for example projects not completed, corrections to errors in the PW, or changes in insurance proceeds. This information can be found on page 146 of the FEMA Policy Assistance Program and Policy Guide, which is linked on this screen.

For Large Projects, TDA will communicate directly with TDEM to determine the final costs verified by audit for the final funding amount.

Policy Assistance Program and Policy Guide

https://www.fema.gov/media-library-data/1515614675577-be7fd5e0cac814441c313882924c5c0a/PAPPG_V3_508_FINAL.pdf

Disaster Relief in the Future

- **2019 Action Plan – no change to selection criteria or program requirements**
- **Fall 2019 – Consolidated Plan**

This presentation has covered the Disaster Relief Fund's current policies. TDA does not anticipate any significant changes to the program for Program Year 2019. The Action Plan for 2019 is expected to be available for public comment in October and November.

The program's five year planning cycle, known as the Consolidated Plan, will begin in 2019. The Plan will be finalized next Fall, so if you have suggestions for how Texas CDBG could best address disaster-impacted communities, now is the time to discuss these ideas with TDA staff in order to be considered for this planning cycle.

Questions



And that's a wrap! Are there any questions?

Contact Information

Current Applications

Joe Midura

Joe.Midura@TexasAgriculture.gov

DR Future Planning

Suzanne Barnard

Suzanne.Barnard@TexasAgriculture.gov



If you have questions or need technical assistance regarding a current application for DR funding, please contact Joe Midura.

If you have suggestions for how Texas CDBG could address disaster-impacted communities in the future, you may contact Suzanne Barnard.