

February 21, 2023

Regulations Division Office of General Counsel
U.S. Department of Housing and Urban Development
451 7th Street SW, Room 10276
Washington, DC 20410-0500

RE: Docket No. FR-6336-N-01, Request for Information for HUD's Community Development Block Grant Disaster Recovery (CDBG-DR) Rules, Waivers, and Alternative Requirements

The Council of State Community Development Agencies (COSCD A) recognizes and appreciates HUD's commitment to improving outcomes of the CDBG-DR program. Currently, the biggest impediments to the effective utilization of funding are the prolonged time to implementation and the increased complexity in the program itself. More standardized guidelines can address both challenges and facilitate successful recoveries in the future through the utilization of the CDBG-DR grant program. The current anticipated timeline of 18 months from disaster to program implementation is harmful to impacted residents and businesses. Furthermore, stakeholders need to sufficiently understand program guidelines. The current patchwork of rules proves more than challenging for all involved in the disaster response network. CDBG-DR codification remains necessary to advance the program accordingly and establish consistent requirements in program oversight. While not a substitute for codification, HUD's engagement towards a universal notice promotes better practices to carry out federal disaster relief in a more efficient and timely manner.

CDBG-DR remains an onerous program to both implement and access. Layers of regulations have compounded in the three decades since CDBG-DR was first installed. HUD's intent in developing and executing various directives through these regulations may be reasonable – to guide federal assistance in a manner aligned with ever-changing circumstances in disaster response. However, the expanding set of rules also challenges stakeholders to deliver timely and effective programs.

COSCD A will continue to advocate for policies and procedures responsive to grant administration needs at the state and local levels including legislative action to permanently authorize CDBG-DR. In the meantime, state program administrators are available to engage HUD in strengthening the program.

1. Reducing Administrative Burden and Accelerating Recovery

a. Are there CDBG-DR rules,^[1] waivers, or alternative requirements that are unnecessarily complicated? Please provide recommendations for how such rules and requirements should be revised.

COSCD A recognizes directives can be difficult to navigate, and specifically the following areas can use improvement:

1. Timing & expected actions of HUD & grantees at different stages of grant activities (plan submittal, amendments, expenditures, and closeout). For example:

- Eliminate the requirement to submit an action plan for administrative costs only.
 - Reduce the review time at HUD and accelerate the grant agreement process.
2. Stakeholder engagement & public participation.
 - Ex. Reduce the public comment period from 30 days to a shorter period.
 3. Funding availability for which activities and amount of grant eligible to be used for activities; ensure HUD encourages but not directs certain activities & amounts of grant funds for certain activities.
 4. Immediate post disaster response & the extent grantees may begin grant activities ahead of plan approval/grant agreement executed.
 - Ex. Allow case management, housing rehab and reconstruction activities to begin immediately when there is clear prioritization to residential damages.
 5. Collecting and using data to inform action plan.
 - Ex. Streamline the current FEMA/SBA data process with a single multi-agency agreement.
 6. Plan development and scope of areas which need to be addressed by grantee.
 - Ex. Reduce, simplify, and standardize the Action Plan reporting template.
 7. Plan approval/denial and how grantees may address errors/resubmit.
 8. Encourage green building codes as a goal but not a requirement; codes may contradict local building codes

b. Are there CDBG-DR rules, waivers, or alternative requirements that could be streamlined or removed to enable grantees to accelerate recovery? Please provide recommendations for alternative processes that would remove barriers, obstacles, and delays.

1. Ensure guidance provided via universal notice or similar set of regulations remains consistent between disaster events & funding cycles
2. Continue to allow grantees with multiple grants the ability to interchange administrative costs application between disaster allocations.
3. Provide a more expansive definition of activities under program delivery costs
4. Align federal standards regarding labor, environment, procurement, and relocation. Provide the ability to adopt other federal agency reviews conducted on projects using multiple federal funding sources.
5. Establish timelines for HUD and grantees to act in common stages of program implementation once allocations have been announced. These include submission of action plans, action plan approval/denial/remediation, access to grant funds, HUD response to waiver requests, & grant closeout

*d. Are there CDBG-DR rules, waivers, or alternative requirements that could be streamlined or removed to accelerate recovery for grantees receiving smaller awards, or grantees that are funding primarily small and rural communities? For example, in a **Federal Register** notice published on May 24, 2022, HUD identified any grant under \$20,000,000 as a smaller grant award. Going forward, is \$20,000,000 an appropriate threshold?*

While \$20 million seems to be a reasonable threshold, the flexibility is limited in the Consolidated Notice to allow additional expenditures in affordable rental housing. This may or may not be the largest need of the community. HUD should allow further flexibility provided that the Action Plan is justified and reasonably aligns with recovery priorities rather than choosing the priority for the impacted community.

A major challenge for smaller grantees is standing up the administrative structure required to meet all the CDBG-DR requirements for what may amount to only a handful of activities. A fixed cost plus a percentage of the grant should be considered to cover administrative costs as 5% of a small grant will not likely be sufficient. Alternatively, for very small awards that cover only a few activities, HUD should consider allowing grantees the option to add CDBG-DR funds to their respective formula grant planning or submit as a separate action

plan. This will reduce the administrative costs associated with ramping up and establishing a new grant with modified rules.

e. Should there be a minimum allocation threshold for CDBG-DR grant awards? If so, what should the minimum allocation threshold be or be based on?

No, a minimum threshold should not be applied to CDBG-DR grant awards. Smaller grants have been especially difficult for states and localities to deliver across impacted areas. Administration of these funds is also significantly challenging due to the level of funds available for grant management usually being insufficient to accommodate program responsibilities.

f. Recent appropriations allow grantees to access funding for program administrative costs prior to the Secretary's certification of financial controls and procurement processes and adequate procedures for proper grant management. Grantees have used these administrative funds primarily for the development of the action plan (e.g., procuring contractors, increasing capacity, facilitating public participation, etc.). Aside from creating the action plan for program administrative costs, are there other approaches that HUD should consider to promote proactive coordination with other disaster response agencies before a CDBG-DR grant is executed?

1. COSCDA is uncertain about HUD's interpretation of the ability of grantees to apply costs associated with action plan development. As COSCDA has shared in previous communications, we believe costs incurred for action plan development can and should be allowed as an eligible activity under planning costs. However, HUD revised this position and communicated costs associated with action plan development must be delivered as a part of administrative costs. No other funds can be drawn from planning costs or other portions of the grant for this purpose. The latest directive by HUD that action plan development falls under administrative expenses and cannot be applied to planning costs is a reversal of precedent and prior processes. Grantees continue to experience severe constraints on budgets available for program administration. The ongoing administrative cap of 5% constricts all aspects of program management at the state and local levels.

2. Improved coordination of data sharing to provide grantees with access to data to inform action plans in advance of allocations.

h. Are there CDBG-DR rules, waivers, or alternative requirements that should be revised to better align with federal disaster relief programs implemented by the Federal Emergency Management Agency (FEMA), the U.S. Small Business Administration, the U.S. Army Corps of Engineers, or other Federal agencies? Are there CDBG-DR rules, waivers, or alternative requirements that should be adopted by other Federal disaster recovery agencies?

An alignment of cross-cutting compliance standards for the environment, labor, relocation, and procurement allows for the adoption of standards of other federal entities when multiple funding sources are utilized on the same project.

i. The Robert T. Stafford Disaster Relief and Emergency Assistance Act ([42 U.S.C. 5121-5207](#)) (Stafford Act) and CDBG-DR appropriations acts require HUD and its grantees to coordinate with other Federal agencies that provide disaster assistance to prevent the duplication of benefits (DOB). How can HUD and other Federal agencies that provide disaster assistance make it easier to comply with DOB requirements?

1. Duplication of benefits (DOB) compliance is immensely challenging for individuals and households seeking assistance. Considering the populations targeted for support through CDBG-DR and other federal disaster aid, many lack sufficient access to the information which agencies request to address DOB. To assist HUD and related federal agencies to identify ways to reduce burdens around obtaining assistance for disaster survivors. Waivers or altered requirements for qualifying participants would ease unnecessary barriers to federal aid.

2. Applications for assistance can be streamlined so that beneficiaries can submit forms to multiple agencies at one time reducing the time and effort in requesting aid; it would also reduce the possibility of DOB since a

common form would be received by HUD, FEMA, and associated agencies. We recommend increased coordination between HUD, FEMA, and related federal entities to create a more efficient process benefitting both applicant and administrator.

3. Requested information can be simplified to better accommodate disaster survivors. Households and businesses impacted by disasters may not have financial information readily available for inclusion in aid requests. Further, due to considerable property loss being common in disaster situations, the level of information presently requested by agencies may never be available.

4. An intensive review of the existing DOB process should be coordinated between HUD, FEMA, and other disaster response agencies to determine what updates can be made to improve user experience and promote efficiencies. Changes should be made to reduce barriers for disaster victims to receive aid especially populations with limited means to rebuild and restore housing.

***k.** What types of technical assistance should HUD offer grantees to support a timely, equitable, resilient, and successful recovery? Are there phases of CDBG-DR grants (e.g., initial administrative work, action plan development, program implementation, etc.) where providing more intensive technical assistance would be more effective? What types of technical assistance should States offer local government subrecipients to support a timely, equitable, resilient, and successful recovery?*

1. Deployment of HUD staff and TA providers in disaster-impacted areas would offer initial capacity to assess needs and assist grantees in early-stage recovery activities. A “strike force” of trained, knowledgeable HUD personnel or TA providers would partner with state and local governments to accommodate outreach to disaster survivors, support stakeholder engagement, inform recovery process, and ensure core aspects of pending federal disaster assistance will be met i.e., financial controls and staffing. HUD could also adopt a ‘reservist’ model similar to FEMA’s model to bring in temporary assistance from former and current practitioners or make greater use of the EMAC system to identify available assistance.

2. Technical assistance to individual disaster events and jurisdictions would best facilitate financial controls, public outreach, staff assembly, and delivery of funds to beneficiaries, contractors, and related.

3. States can best accommodate local sub-recipients through financial controls, public outreach, & staffing & program structure.

***l.** What types of technical assistance or other measures should HUD offer to better assist grantees in preventing and identifying potential contractor fraud and to strengthen the ability of grantees to assist beneficiaries when they are subject to contractor fraud?*

1. Comprehensive guidance should be issued by HUD which includes leading examples of sound procurement practices, structured policies which mitigate against abuse, and support beneficiaries receiving federal assistance.

2. Workshops and similar engagement can provide increased insight, tips, tools, and strategies to strengthen grantee processes in procuring services and ensure contractor delivery is met as expected.

3. Catalogued tools and resources should be made available on HUDEXchange or HUD.gov.

4. COSCDA is available to offer feedback and review of training, tools, and materials including archived information online through HUD.

***m.** What mitigation techniques or requirements could HUD employ to enhance grantee capacity to comprehensively assess the likelihood of potential fraud risk and to otherwise detect and prevent fraud in grantee programs?*

1. Training, tools, & resources aimed at preventing fraud and abuse would greatly assist grantees in oversight and monitoring of program resources. Guidance may be informed through cross-agency partnerships with

FEMA, SBA, and related federal agencies as well as private sector and non-profit firms with experience in developing protocols reducing fraud.

2. As a part of its grantee certification process, HUD may update its guidelines to have funding recipients demonstrate fraud mitigation is included in financial controls. The requirement herein should not be overly prescriptive however and instead responsive of the specific grant amount and activities. For example, the current notices require the hiring of an internal auditor; this is not feasible for small grants given the limited amount of administrative funding.

2. Establishing Priorities

a. Should CDBG-DR rules, waivers, or alternative requirements be written to 1) encourage or require grantees to first address disaster recovery housing needs prior to other recovery needs (e.g., infrastructure), or 2) encourage or require grantees to invest in whole community recovery in proportion to its unmet recovery need (e.g., housing, infrastructure, economic revitalization, and mitigation)?

1. Consistent with the annual CDBG program, CDBG-DR rules should remain dedicated to aiding state and local recovery responsive to the impact of the disaster event. Funding recipients are best positioned to identify needs and deliver resources responsive to their respective disaster event. By applying a broad standard to emphasize housing ahead of other activities, HUD would take this crucial ability away from the grantee to address the specific, priority needs of households and communities. Additionally, based on the interconnectedness of infrastructure, housing, and business, community-wide projects may meet a higher level of need than individual households based on the damage and scale of a disaster. Households and businesses are reliant on functioning utilities and transportation networks. Therefore, DR resources would better serve more persons and households through public facilities than individual support to housing and business assistance.

2. Likewise, while community recovery initiatives can be impactful and maximize use of CDBG-DR funds, activities should continue to be determined by grantees based on the extent of damage and impact of individual disasters. More emphasis may be placed on certain activities than others. Recipients should be empowered to identify their respective needs, determine the best use of funds, and advance activities to address long-term recovery.

3. Enhancements in HUD's technical assistance would greatly aid grantee determination of needs, activities, and sustained efforts to complete projects.

b. If CDBG-DR should encourage grantees to invest in whole community recovery, what policy incentives would be most effective to encourage grantees to invest in whole community recovery in proportion to its unmet recovery need?

1. A revision to the LMI calculation would allow grantees to identify and invest in priority projects supporting the whole community recovery. The current methodology used to calculate LMI is routinely prohibitive for grantees to invest in meaningful, high-impact projects. The percentage of LMI persons and households falls as service areas are expanded under the existing calculation. For high priority projects in community recovery, grantees therefore must request waivers to revise the LMI threshold. To address this, COSCDA proposes an updated calculation which is responsive to aiding primarily LMI persons and accommodating priority projects in community recovery.

c. What CDBG-DR rules, waivers, or alternative requirements, if any, should be modified or eliminated so that grantees are prioritizing assistance to low- and moderate-income persons and areas, vulnerable populations, and underserved communities?

1. Increased alignment of HUD with FEMA and similar federal resources in disaster recovery would greatly streamline the process of applicants to request assistance. This can be facilitated through a common application or similar effort to coordinate federal outreach and engagement with impacted populations. Through regulatory

updates, HUD can afford grantees greater ability to adjust intake applications or other forms of requests more in line with FEMA or SBA processes.

2. The depth of information requested by HUD is potentially excessive and burdensome for individuals seeking aid following disasters. HUD should revisit what information is currently requested by applicants with the goal of promoting greater efficiency and access to federal aid.

*d. How can HUD assist grantees in using data-driven information to better align their proposed recovery programs and activities with unmet recovery needs? (HUD is also seeking public comment on how it defines and determines unmet recovery needs in a separate request for information. Please see the RFI requesting information on the CDBG-DR allocation formula published elsewhere in today's **Federal Register**.)*

1. HUD can significantly help grantees in this respect undertaking grant-sharing agreements sooner and standardizing the process to accommodate recovery for jurisdictions which frequently experience major disasters.

2. Guidance issued in advance of disasters on how grantees can effectively use data for recovery and resiliency efforts would be beneficial as well. Guidance may include lessons learned, HUD and grantee responsibilities in data access and use, steps involved once data is readily available to grantees and stakeholders, and how grantees can convey datasets which can be clearly understood by the public.

e. How can CDBG-DR rules, waivers, or alternative requirements be modified or eliminated to encourage greater levels of investment in infrastructure projects that provide the greatest benefit to impacted low- and moderate-income areas?

1. As mentioned, the current LMI calculation does not adequately facilitate investment in infrastructure projects with community or regional benefit. COSCDA requests further assessment of the current methodology in regard to determining LMI and updating it to ensure LMI populations benefit, and grantees can appropriately direct federal resources to priority infrastructure developments.

2. If the calculation revision cannot be addressed, we urge consideration of waivers or alternative requirements specific to infrastructure projects. Public facilities take considerable time to complete. Since timeliness is key to helping communities recover, it is important for HUD to respond to individual waiver requests accordingly. COSCDA recommends an alternative requirement which allows grantees to fund infrastructure projects at a different standard for LMI than household or business assistance. Short of this, we encourage an expedited process for grantees requesting waivers on public facilities projects. Projects which can demonstrate importance to recovery needs of jurisdictions should be allowed to move forward if the grantee can detail how project outcomes are essential to sustained recovery of a given jurisdiction.

3. If neither of the previous requests can be made, COSCDA would offer another suggestion on meeting the LMI standard based on the total activities of a grant. The current application of the LMI standard is per project and activity. As stated, jurisdictions want to direct CDBG-DR to priority projects in disaster recovery which includes public facilities. The current calculation consistently eliminates these types of projects due to their failure to address the LMI beneficiary standard. Without updates to the calculation or an alternative process to meet the LMI standard, grantees are left to rely on a waiver process which adds considerable time to funding projects. An alternative to the existing qualification would be to update the LMI standard to apply to grants in total instead of activities or individual projects. Since LMI can more directly meet the LMI standard with housing and business activities, grantees may be able to stay consistent with meeting the intent of the CDBG program in assisting LMI households and communities. Grantees should be approved for grant activities which in total reaches the LMI threshold. Resources and guidance can continue to ensure resources primarily assist

LMI beneficiaries through these activities. The grantee would still be required to detail why and how projects are needed in disaster recovery.

f. What CDBG-DR rules, waivers, or alternative requirements, if any, should be modified or eliminated so that grantees carry out activities to support economic revitalization for underserved and economically distressed communities?

1. Consistent with the previous response on infrastructure, waivers or alternative requirements should be applied to help facilitate infrastructure projects critical to disaster recovery. Many of these projects are essential to economic revitalization of distressed and underperforming communities.

3. Understanding the Requirements for Most Impacted & Distressed (MID) Areas

c. Should HUD continue to allow for the use of CDBG-DR funds to benefit grantee-identified MID areas? How, if at all, should HUD adjust the requirements for the balance of assistance between HUD-identified and grantee-identified MID areas?

1. Yes, HUD should continue to allow the use of CDBG-DR funds to benefit grantee-identified MID areas. One of the greatest strengths of the CDBG-DR program is the ability of grantees to dedicate funds to areas not captured by HUD's assessment of MID areas. A standard set of requirements should be established and communicated by HUD to grantees moving forward. A renewed approach to this development can better assist grantees to determine how to dedicate funds to unmet needs which often outweigh available resources. If can be made reasonable by grantees, balancing assistance should be applied in a way most responsive to maximize recovery efforts. HUD should allow grantees a process to identify and communicate needs beyond the HUD-determined MID areas. For transparency purposes and to allow grantees to effectively detail their proposal, HUD should outline standard criteria the agency will be using to determine how best to review grantee requests.

4. Developing the Action Plan

b. HUD currently requires grantees to post an action plan for 30 days to solicit public comment and to host at least one public hearing—is this enough time to solicit meaningful public feedback? Should HUD consider increasing this time or the number of public hearings required for initial action plans and/or for later, substantial amendments to the action plan to achieve meaningful community engagement?

1. COSCDA recognizes the importance of receiving input from stakeholders, especially disaster victims and vulnerable populations recovering from disasters. The current public participation requirements are conducive to gather feedback on proposed activities and incorporate changes as needed to accommodate effective recovery. Currently, the number of public meetings is typically driven by the geographic extent of the disaster rather than an arbitrary requirement that does not consider size and scope. Although increasing the number of public hearings would seemingly support increased access from the public to grantees and the development of recovery activities, additional engagements may add to the development timeline and delay advancement of projects and activities.

2. Public engagement opportunities should be open and transparent for stakeholders at all levels to participate. HUD can assist this process by reaffirming the ability to use modern communication technologies to receive public feedback.

3. For those intent on providing public comment, 30 days is probably more than adequate, especially when local recovery partners have been a part of plan development.; 14 days is likely sufficient. Comments tend to come in shortly after an event or release, and then on the last 2 days. We are not aware of any studies that indicate more time provides better input. Additionally, Action Plans are constantly subject to change based on input once the programs have been initiated and practitioners can see areas that need improvement to better serve impacted households and communities.

c. What enhancements should HUD consider improving a grantee's experience with the HUD's Disaster Recovery Grant Reporting (DRGR) system and data reported by grantees, in particular the Public Action Plan module?

1. Several changes can be made to the DRGR system and data entry by grantees. COSCDA has recently shared recommendations with HUD to improve user experience. We encourage direct engagement with grantees on ways to update the system and COSCDA is available to facilitate future engagement on this topic.
2. Tracking TA and Monitoring events at the individual activity level through the system is inefficient and misleading as a single event can cover multiple activities. External tracking systems can be more efficient.

5. Advancing Equity

e. What additional guidance, data, or support can HUD provide to help grantees comply with fair housing and civil rights requirements and allocate resources equitably across housing types?

1. Guidance on fair housing and civil rights tailored to disaster recovery needs would help to advance equity in resource delivery. HUD's fair housing information in many cases is not relevant to block grant programs including CDBG-DR. Specific examples would be very helpful to promote fair housing in communities and incorporating with disaster recovery. Further direction from the agency rooted in practical implementation of fair housing can best accommodate grantees moving forward.
2. Supplemental information on underserved populations by jurisdiction and technical assistance from HUD and TA providers would provide additional support needed to fulfill fair housing requirements.

f. What challenges do grantees face in complying with their obligation to ensure meaningful access for individuals with limited English proficiency or effective communication for individuals with disabilities? What tools or resources could HUD provide to facilitate compliance with these obligations?

1. State and local CDBG-DR administrators typically do not have internal staff who can translate communications to non- or limited-English speaking communities. It is especially challenging for states and localities to secure translation services which can accommodate multiple languages in public outreach. The process to identify and retain translating support involves procurement and selecting vendors which can address multiple languages. Existing grantees may have dedicated contracts and vendors existing. For newer grantees however this process can prove incredibly difficult and time consuming. The costs associated with translator services can vary with limited interest from firms common as well.
2. Regarding communications for individuals with disabilities, grantees likewise must serve multiple groups and populations. Assistance must be secured in many cases to support development and implementation of communication. Time and costs involved can be considerable in obtaining these services.
3. HUD is positioned to provide some basis of translated communications to aid grantees with public engagement for English limited populations and individuals with disabilities. Translated documents for common information including templates used for public notices and forms for assistance would greatly support grantee engagement with these populations.
4. HUD may also aid grantees by identifying reputable services and firms to assist communications for populations of limited English proficiency and individuals with disabilities.

*g. Congress has recently identified Indian tribes as eligible CDBG-DR grantees but there are currently no Indian tribes in HUD's CDBG-DR portfolio. Are there revisions to HUD's CDBG-DR policies that should be considered to capture tribal recovery needs more effectively? (Please also see the request for information from the public on the need for any revisions to HUD's allocation formula to better capture tribal recovery needs published elsewhere in today's **Federal Register**.)*

1. Tribal communities are eligible to receive funds through the existing CDBG-DR framework. In cases of disasters impacting tribal populations and qualifying for federal assistance, grantees work with these communities to identify needs and dedicate resources to recovery similar to non-tribal communities. Jurisdictions such as Alaska have created specific set-aside programs within their CDBG-DR allocation to assist tribal communities; in this case, a housing assistance program was established to aid native populations in the state. HUD and grantees should work closely on disaster recovery needs moving forward to capture tribal populations in public feedback and developing aid programs. However, no major reforms are presently needed.
2. Capacity and familiarity with CDBG-DR are two major issues with tribal communities taking on direct administration of federal disaster aid. The situation is not exclusive to these populations or communities as local grantees experience similar barriers to implementing CDBG-DR resources.
3. States would welcome HUD's assistance in outreach and capacity building specific to serving tribal communities and native populations. Guidance and tools would be best accessed through HUD-supported training and available electronically on the agency's website.

h. What barriers impede grantees' ability to design and utilize buyout programs, including incentives, to best serve protected class groups, vulnerable populations, and other underserved communities? What CDBG-DR rules and requirements, if any, should be modified or eliminated to ensure that grantees advance equity in their community-driven relocation activities?

1. HUD's emphasis on voluntary relocation means more attention and resources will go to populations in a better position to leave their homes over homeowners who for several reasons are unwilling or incapable of relocating. Families and individuals with the means of relocating can be accommodated much easier than others. Vulnerable and underserved communities are often prohibited from moving due to conditions prior to their respective disaster experience. A basis of helping those with especially difficult circumstances (resources, domestic issues, etc.) is to recognize these factors in determining which course of action is most impactful to household and community recovery.
2. CDBG-DR resources cannot address the entirety of unmet needs in housing, infrastructure, and business support in disaster recovery. Outreach to the listed groups - protected classes, vulnerable populations, and underserved communities – remains an important focus of the process of rebuilding and resilience activities. Most capacity building in underserved communities does not happen until a response to a disaster is underway. In many cases, little to no emergency relief or recovery mechanisms are solidified ahead of time to facilitate federal assistance.
3. Additional flexibilities provided in federal compliance would greatly improve grantee ability to assist underserved populations i.e., environment, labor, relocation, fair housing, and procurement. Time and resources are considerable in addressing these standards. Reduced and streamlined measures would free up resources involved in carrying out programs to dedicate more staff and attention to engagement with hard-to-serve populations. Divisions within HUD should work with their counterparts at FEMA to adopt renewed processes to ensure compliance is met in the most efficient manner. Grantee input is necessary to drive this action providing a customer-focused, policy by practice approach.

7. Replacing Disaster-damaged Housing Units, Minimizing Displacement, and Incentivizing Affordable Housing Development

Should CDBG-DR notices continue to waive and provide alternative requirements for the one-for-one replacement housing requirements at section 104(d)(2)(A)(i) and (ii) and (d)(3) ([42 U.S.C. 5304\(d\)\(2\)\(A\)\(i\) and \(ii\) and \(d\)\(3\)](#)) of the HCDA and [24 CFR 42.375](#) for disaster-damaged owner-occupied lower-income dwelling units that meet the grantee's definition of "not suitable for rehabilitation?" To expedite recovery, HUD waives this requirement for disaster-damaged owner-occupied units that meet the grantee's definition for "not suitable for rehabilitation." CDBG-DR grantees have the discretion to define "not suitable for rehabilitation," but must include their definition in their action plan for disaster recovery.

1. Yes, waivers and alternative requirements should continue for the one-for-one replacement housing requirements. The alternative requirements are an important part of supporting housing needs of disaster survivors. Through these, grantees are afforded the ability to dedicate resources responsive to rehousing individuals and families in a post-disaster environment in ways the established housing requirements do not accommodate. Overhaul or removal of these flexibilities would significantly impair grantee implementation of housing activities and result in fewer households being supported as well as considerable time added to the development.

2. It is reasonable that grantees provide adequate description of their respective definitions regarding rehabilitation to justify waiving the noted housing requirements. HUD may assist new grantees by offering example definitions used previously by grantees.

8. Modifying Green and Resilient Building Codes and Standards.

a. Should the Department impose construction standards that require the use of CDBG-DR funds to adhere to current editions of the International Building Code (IBC), International Existing Building Code (IEBC), International Residential Code (IRC), International Wildland-Urban Interface Code (IWUIC), International Plumbing Code (IPC), International Mechanical Code (IMC), International Fuel Gas Code (IFGC), International Fire Code (IFC), ICC 500-14, ICC/NSSA Standard on the Design and Construction of Storm Shelters, and ICC 600-14 Standard for Residential Construction in High-wind Regions?

1. No, HUD should not impose the above-mentioned standards on CDBG-DR funds. The program is designed to respond to on-the-ground needs in states and localities following disaster. The disarray and destruction caused by major disaster events can produce unexpected circumstances for households and communities. Building codes are a vital piece to ensure health and safety of residents either returning to their homes, finding new housing, or reintegrating in their respective neighborhoods and places to work and learn. Codes vary based on location and informed by conditions respective to each jurisdiction. The local and state codes therefore remain the most responsive to communities and households. Codes highlighted in the question here may serve as a concept or reference for states and localities to rebuild following disasters. However, a requirement that these codes be incorporated in building practices is not practical and can inhibit recovery efforts.

2. Construction standards applied to CDBG-DR as suggested in the question undoubtedly would raise costs, delay construction, and add responsibilities to stakeholders in post-disaster infrastructure and housing development. It would be sound policy for HUD to use these as recommended approaches to construction practices. However, applying standards as requirements would pose considerable burdens in project design and development.

3. Codes applied to the list offered may conflict with one another. If various sets of codes were required, grantees would be challenged to secure a building inspector with knowledge of multiple codes. Instead, the inspector responds to the set of local and state codes in their respective jurisdictions.

4. If HUD seeks advancement of specific codes in localities, incentives may be considered for communities to update their respective standards. A planning grant or similar resource could encourage and assist local governments to revise their codes accordingly.

b. Should HUD better align its building code requirements for CDBG-DR and CDBG-MIT with those required by FEMA or other Federal agencies? If so, how?

1. HUD building code requirements may be informed and influenced by FEMA and other federal agencies. Since overlap is constant between FEMA and HUD-supported activities, it would be reasonable to better align building code requirements. This is especially useful where HUD funds may be supplementing or matching mitigation activities funded through HMGP.