# Missouri CDBG Emergency & Urgent Need Grants

## Funding Local Disaster Recovery When State or Federal Disaster Declarations Are Absent

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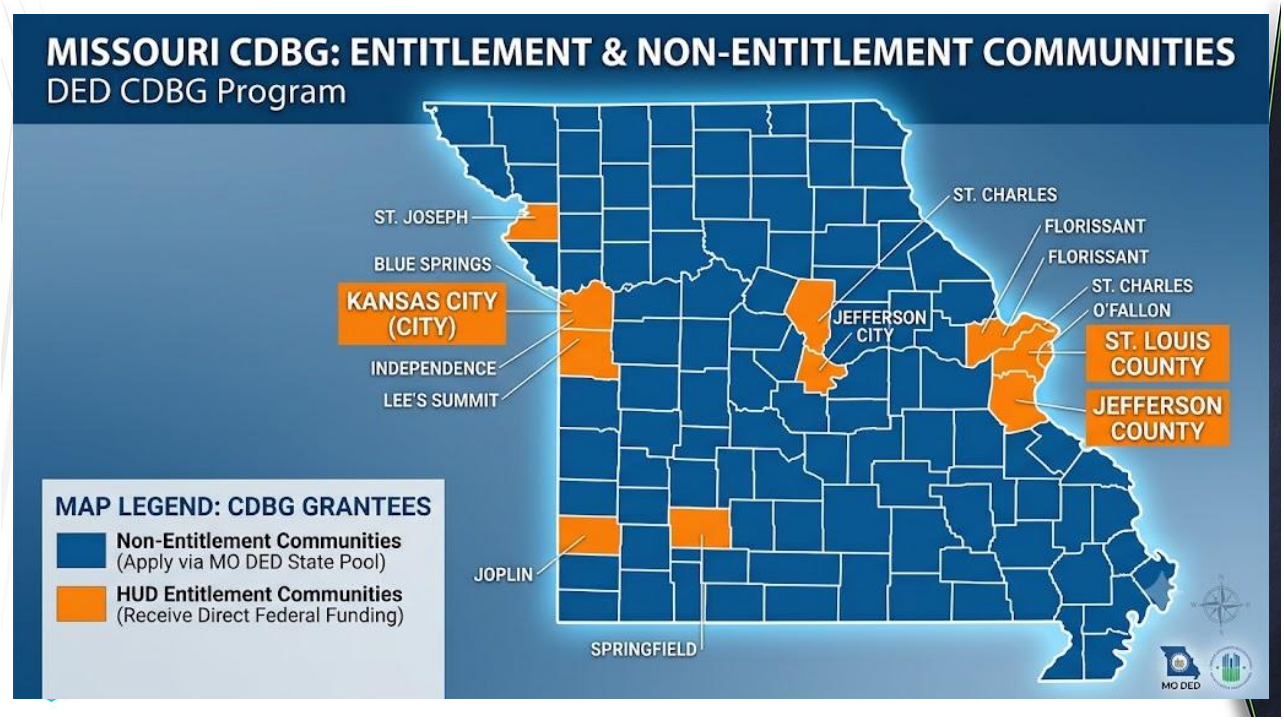


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# The Local Disaster Gap

- The "Un-Declared" Emergency Challenge
- No FEMA Public Assistance
- No CDBG-DR Appropriations
- Depleted Municipal Budgets



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# The Missouri CDBG Solution

- Immediate Relief Pool
- Urgent Need Objective
- Targeted Assistance



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# Funding Pool & Set-Aside Structure

| Annual Set-Aside | Grant Maximum | Application Cycle |
|---|---|---|
| • 500K – 1M(+)<br>• **Annual Reserve Allocation**<br>  • State Action Plan reserves funds from HUD formula Grant to ensure emergency cash availability. | • Up to 500K<br>• **Typical Award Cap Per Project**<br>  • DED evaluates higher amounts on a case-by-case basis depending on severe public health threat. | • Continuous<br>• **Rolling Submissions Year Round**<br>  • No fixed deadline, applications are accepted immediately as emergencies occur. |

**How Missouri DED Manages the Emergency Reserve**

Under Missouri's annual CDBG Action Plan submitted to HUD, the state sets aside a portion of its total formula allocation specifically for Emergency and Urgent Need projects. If emergency requests exceed the annual set-aside, DED has administrative authority to reallocate uncommitted or recaptured CDBG funds from other non-competitive categories to address critical public safety crises.

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# MISSOURI CDBG: FOUR POINTS OF URGENT NEED ELIGIBILITY




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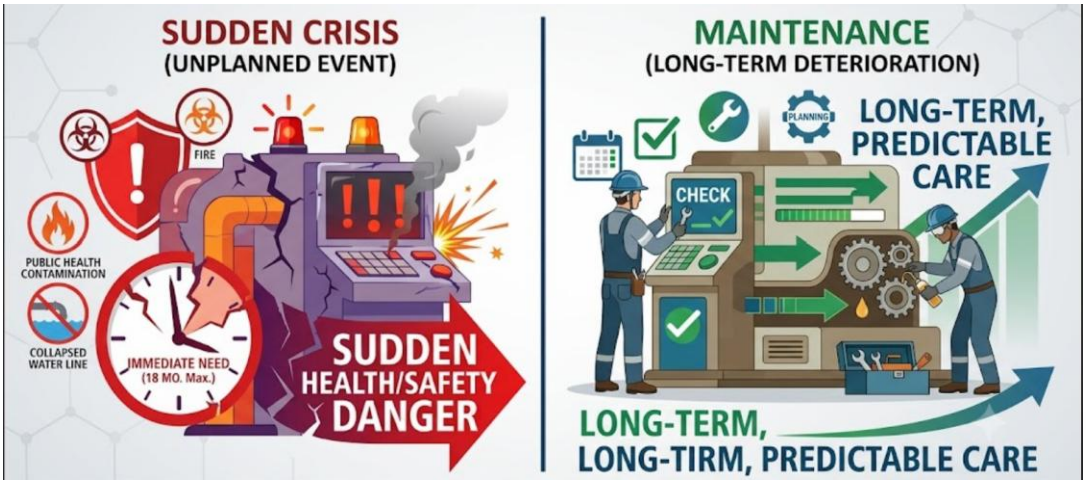
# Eligibility Nuance: Sudden Crisis vs. Maintenance

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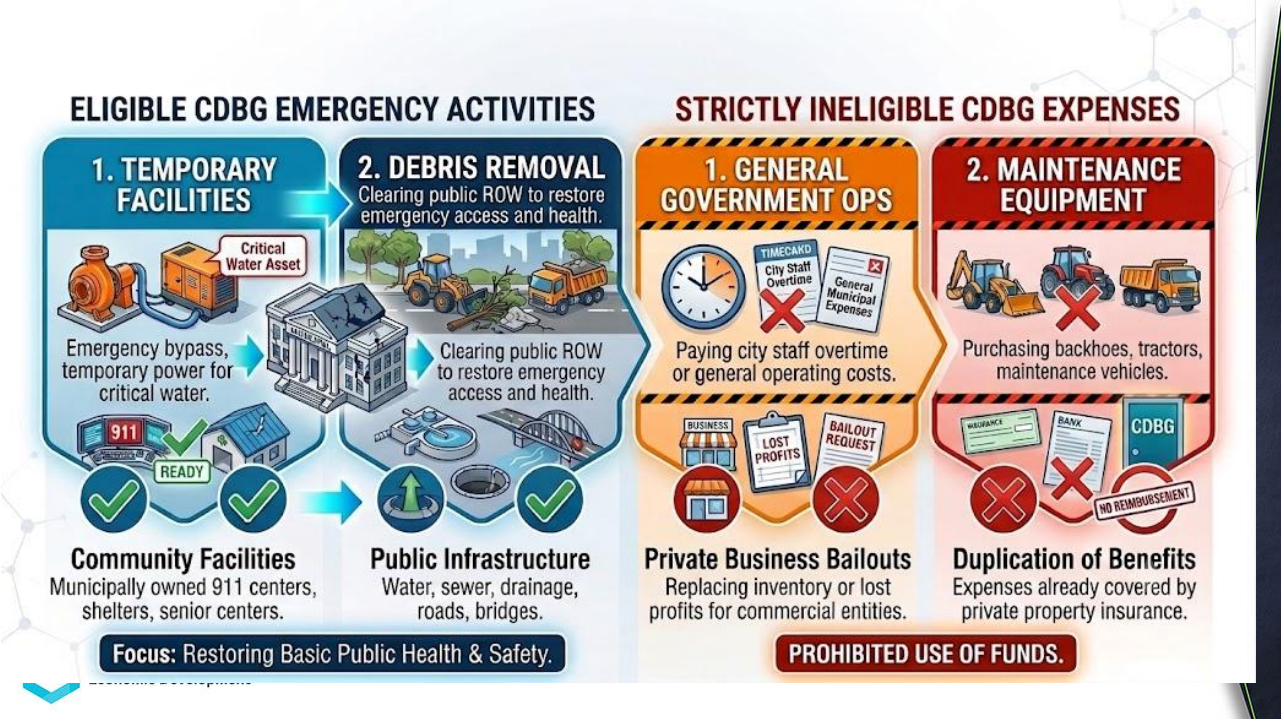


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# High Level Application Workflow



PRE-CONSULTATION



ENVIRONMENTAL REVIEW



APPLICATION REVIEW



DED REVIEW AND AWARD

⚠ Critical Rule: Do Not Commit Funds Before Clearance

Except for immediate emergency life-safety measures, applicants must not sign construction contracts or obligate grant funds prior to completing Environmental Review clearance and receiving formal DED authorization.

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# Required Evidentiary Application Package

## Official Certifications & Reports

- Local Government Resolution
- Third-Party Engineering Report
- Health Department / DNR Orders

## Financial & Ineligibility Proof

- Municipal Financial Audits
- FEMA/State Denial Documentation
- Insurance Claim Statements

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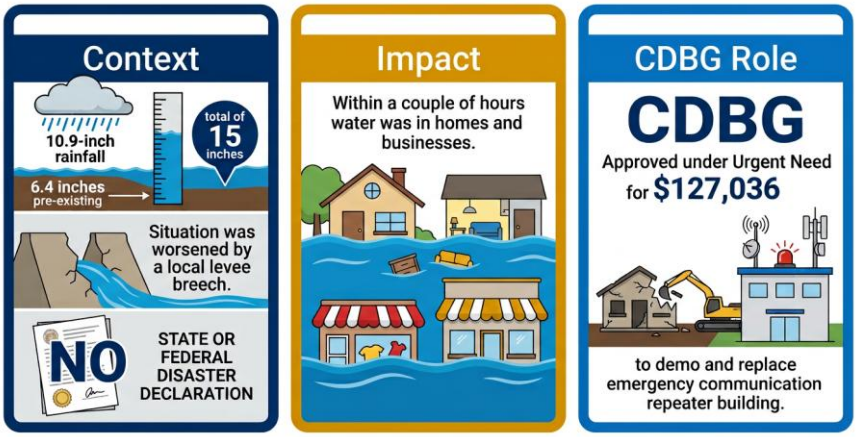
# Emergency App: Isolated Flood Elsberry

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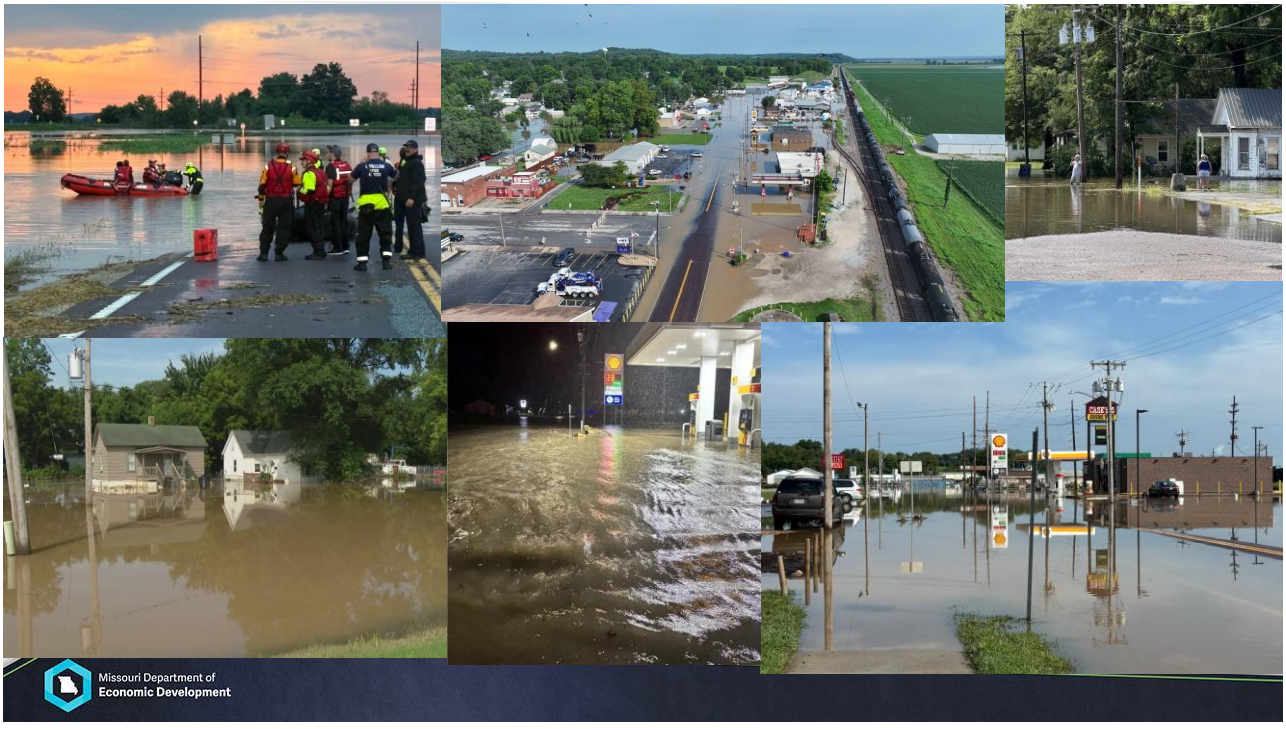


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# Emergency App: Well Failure California

### Context

- Maintenance officials responded to reports of rust and other metallic sediment in the water coming from one of the city's main wells.
- After evaluation determined the well would need to be shut down due to corrosion and failure of the steal well casing rendering the well unrepairable.
- This well was the primary water source for the city.
- The county was also in a significant drought increasing the water demand on the city.

### Impact

- The City's largest employer and many other businesses and residential properties were impacted.
- Failure of this well reduced the supply by 1100 gallons a minute requiring functional wells to produce twice the amount normally supplied.
- Well water levels were expected to decline overtime and would result in the remaining wells being out of commission.

### CDBG Role

- Approved under Urgent Need for $1,581,750 for the construction of a well and the placement of a new pump house at a location that was in the immediate immediate vicinity (100 ft.) of the existing failed well drilled in 1967-68.

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# Important Regulatory Caveat: The 70% LMI Cap

### HUD's Statewide 70% LMI Requirement

While individual Urgent Need projects bypass LMI income surveys, HUD mandates that **at least 70% of Missouri's total CDBG spending** across its 1- to 3-year performance period must benefit Low- and Moderate-Income (LMI) persons.

Because Urgent Need projects count toward the 30% non-LMI ceiling, DED must carefully balance emergency awards against its overall statewide LMI compliance ratios.

### Federal Cross-Cutting Requirements

Emergency CDBG grants remain subject to standard federal cross-cutting regulations unless specific statutory waivers are granted:

- **Davis-Bacon Prevailing Wages:** Applies to construction contracts exceeding $2,000.
- **Environmental Review (NEPA):** Required for all projects, though emergency provisions may expedite review steps.
- **Build America, Buy America (BABA):** Iron, steel, and manufactured goods standards apply.

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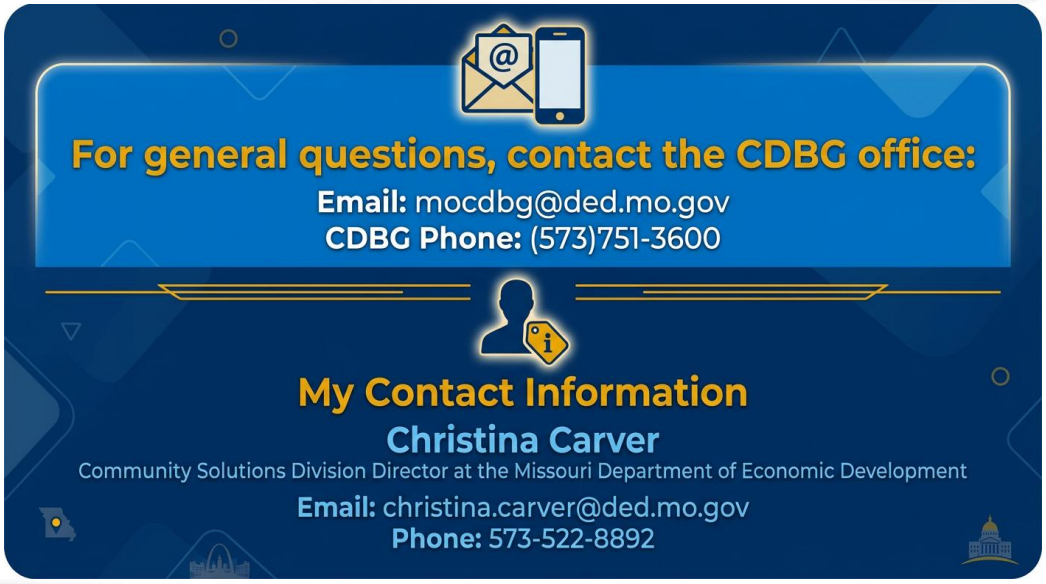


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