COMMUNITY, TARGET AREA, AND PROJECT SELECTION PROCESS FOR THE NATIONAL DISASTER RESILIENCE COMPETITION

The Notice of Funding Availability (NOFA) for HUD’s National Disaster Resilience Competition was posted on September 17, 2014. The State of Alaska Interagency Working Group for HUD’s National Disaster Resilience Competition began meeting on October 9, 2014. The first objective of the working group was to assess the 40 eligible communities included in a Presidentially-Declared Disaster in 2011, 2012, and 2013 (identified in Tab 1, “All Communities” of workbook) against threshold criteria (see page 10) to determine whether the State had communities eligible for submission under the subject grant.

Meeting Minimum Requirements of Most Impacted and Distressed Thresholds

Working group members were tasked with identifying all data sources which might qualify communities to meet at least one of the thresholds for HUD’s Most Impacted and Distressed Characteristics. Acceptable data had to meet HUD’s guidelines. The team spent several weeks reviewing disaster data from State and FEMA Individual and Public Assistance Project Worksheets, Alaska Department of Labor unemployment and income data, the Alaska Baseline Erosion Assessment, and local hazard mitigation plans, which would meet HUD’s guidelines for data sources. The results of this process are shown in Tab 2, “Most Impacted and Distressed”.

From this process, 16 communities were identified as potentially meeting the HUD threshold requirements:

*Alakanuk
Diomede
Elim
Emmonak
Fort Yukon

*Galena
Golovin
Hughes
Kipnuk
*Kotlik

Seward
Shaktoolik
Shishmaref
Teller
Unalakleet

Only three of the communities listed above (shown with *) were identified as independently meeting the HUD thresholds for both the Most Impacted and Distressed categories, as well as the Unmet Recovery Needs category.

HUD 45-Day Review of “Most Impacted and Distressed” and “Unmet Needs” Thresholds

The NDRC Phase 1 NOFA provided the opportunity, during the first 45 days after publication of the NOFA, for applicants to request HUD to review the “most impacted and distressed” and “unmet needs” threshold responses for one or more potential target areas. HUD would indicate how a submission was deficient, but would not tell an Applicant how to fix the submission. The
purpose of this review was to help applicants identify a set of target areas by the Phase 1
deadline that could meet HUD’s threshold requirements.

On October 31, 2015, the 16 communities identified above as potentially meeting HUD
threshold requirements were submitted as individual target areas, with supporting
documentation for the three threshold areas. A copy of the submission from the State can be
downloaded from http://ready.alaska.gov/Plans/Documents/CDBG-NDR/45-
day%20Request%20HUD%20Review%20State%20of%20Alaska.pdf.

On December 1, 2014, HUD responded with its review of the State’s submission. None of the
16 communities met all three thresholds for Most Impacted and Distressed and Unmet Needs.
A summary of HUD’s finding is in Tab 4 HUD 45-Day Review. A key problem was that none of
the communities identified as individual target areas had a large enough population to meet
HUD’s threshold requirements. It was clear the team would need to come up with another
approach to meet HUD requirements if any Alaska communities could be made eligible. HUD’s
45-Day Threshold Review letter to the State is at
http://ready.alaska.gov/Plans/Documents/CDBG-
NDR/HUD%20Response%20to%20Alaska%2045%20Day%20Threshold%20Review.pdf

Engaging Partners
An important part of the NDRC application is the engagement of partners and stakeholders in
the process. The Alaska Team reached out to a number of entities as potential partners and on
January 12, 2015, held a Partner Briefing at the Atwood Building in downtown Anchorage. A
number of local and regional non-profit organizations and state and federal agencies were
engaged to participate in this process:

- Alaska Department of Natural Resources, Division of Geological and Geophysical Surveys
- Alaska Department of Transportation and Public Facilities, Harbors and Ports Division
- Alaska Native Tribal Health Consortium
- Association of Village Council Presidents
- Cold Climate Housing Research Center
- Denali Commission
- FEMA Region X Alaska Area Office
- Kawerak, Inc.
- Kenai Peninsula Borough
- Rasmussen Foundation
- Tanana Chiefs Conference
- U.S. Army Corps of Engineers
- U.S. Department of Agriculture; Natural Resources Conservation Service
These potential partners were provided an overview of the NDRC process, partner roles and responsibilities, the 16 communities identified as potentially meeting the HUD threshold requirements, the program format and timeline for Phase 1, and the next steps if Alaska was invited to submit an application in Phase 2.

Identifying Target Areas to Aggregate Data

The team identified that, with the exception of Seward, all of the communities identified as potentially meeting HUD threshold requirements could be grouped into the area of one of three Regional Native Non-Profit Organizations: the Association of Village Council Presidents (AVCP - Alakanuk, Emmonak, Kipnuk, Kotlik, Newtok), The Tanana Chiefs Conference (TCC - Fort Yukon, Galena, and Hughes), and Kawerak (Diomede, Elim, Golovin, Shaktoolik, Shishmaref, Teller, and Unalakleet).

After much discussion, the team felt the best approach would be to find a logical way to aggregate threshold data to qualify as many communities as possible.

After consulting with HUD, the team decided to qualify the three Target Areas as “tribal areas” which was one of the eligible ways to identify a target area.

Engaging Stakeholders

At this point, the team reached out once again to the three Regional Native Non-Profits, AVCP, Kawerak and TCC as well as communities within these target areas. A Stakeholder meeting was held on February 11, 2015 to brief all stakeholders on the CBDG-NDRC process to date and to disseminate a stakeholder survey soliciting additional data to strengthen the eligibility of each target area.

Representatives of AVCP, Kawerak, and TCC were invited to the meeting as well as municipal and tribal representatives of the following communities:

- Alakanuk
- Elim
- Emmonak
- Fort Yukon
- Galena
- Golovin
- Hughes
- Kipnuk
- Kotlik
- Newtok
- Shaktoolik
- Shishmaref
- Teller
- Unalakleet

Representatives of the organizations identified as partners were also invited to the stakeholder meeting, including:
Alaska Department of Commerce, Division of Community and Regional Affairs; Alaska Department of Environmental Conservation; Alaska Department of Military and Veteran’s Affairs, Division of Homeland Security and Emergency Management; Alaska Department of Natural Resources, Division of Geological and Geophysical Surveys; Alaska Department of Transportation and Public Facilities; Alaska Housing Finance Corporation; Alaska Native Tribal Health Consortium; Denali Commission; Economic Development Administration; FEMA; Rasmussen Foundation; U.S. Army Corps of Engineers; U.S. Department of Agriculture, Natural Resources Conservation Service; and U.S. Department of Agriculture, Rural Development.

Completed surveys were receive back from the communities of Emmonak, Galena, Kotlik, Fort Yukon, Alakanuk, Yukon Delta Fisheries Development Association representing Kotlik, Emmonak, and Alakanuk, and Shishmaref.

### Meeting Unmet Recovery Needs Thresholds

After receiving additional data solicited from the stakeholders, data was aggregated by Target Area. The team was able to meet the threshold criteria for two of the Target Areas, the AVCP and TCC areas (see Tab 5: Unmet Needs in workbook), however the eligible data for the Kawerak Target Area still did not meet HUD thresholds. Within the AVCP and TCC Target Areas, seven communities were identified most impacted, most distressed, with unmet recovery needs:

<table>
<thead>
<tr>
<th>Within the AVCP Target Area</th>
<th>Within the TCC Target Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Alakanuk</td>
<td>• Fort Yukon</td>
</tr>
<tr>
<td>• Emmonak</td>
<td>• Galena</td>
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<tr>
<td>• Kotlik</td>
<td>• Hughes</td>
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<td>• Newtok</td>
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### Public Comment Period and Second Partner Briefing

The State conducted a Public Comment Period on the Draft Phase 1 Application for the NDRC from February 26 – March 16, 2015. The Public Notice was posted at https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=175778

One comment was received regarding the Village of Kotlik. The comment stated that Kotlik had incurred significant erosion during 2009, 2011 and 2013 storms and was in need of immediate disaster assistance.

A second Partner Briefing was held on March 19, 2015. The purpose of the meeting was to provide partners with:
• The status of the application and the target areas/communities the team was able to qualify given the data acquired
• An overview of the Phase 2 application effort should Alaska be invited to Phase 2
• Application resources needed for Phase 2

The State of Alaska’s NDRC Phase 1 application was submitted on March 26, 2015.

**Director’s Meeting**

To prepare for a possible invitation to submit and application to Phase 2, the team held a briefing in Anchorage on May 1, 2015 with the leadership of the Divisions of Homeland Security and Emergency Management, Community and Regional Affairs, Solid Waste (DEC); and Alaska Housing Finance Corporation. The purpose of the meeting was to provide an overview of the Phase 1 application process, the process for selecting target areas and communities, based on HUD thresholds, and the requirements and resources needed to apply for Phase 2 of the competition.

**Invitation to Submit Application in Phase 2**

On June 22, 2015, the Alaska Team learned that the State was selected as one of 40 finalists to compete in Phase 2 of the NDRC. Once again, the team had a very small window (120 days) in which to develop an application with competitive project proposals that advance community comprehensive resilience plans, as envisioned in Phase 1.

**Solicitation of Target Area Project Themes**

DCRA’s Local Government Specialists (LGSs) were consulted regarding the types of potential projects that were needed within the AVCP, TCC and Kawerak Target Areas. The LGSs were asked to identify needed projects in communities within the three Target Areas, AVCP, Kawerak, and TCC that could inform the Phase 2 project selection process. The LGSs were provided a list of all communities originally reporting damages within the three target areas. Although the majority of these communities were not identified as meeting HUD threshold requirements for most impacted, most distressed, and with unmet recovery needs, the general target areas needs obtained through this process could inform project selections that could serve as models for the overall target area and possible be replicated in the future. The results of this inquiry are presented in **Tab 6 DCRA LGS Project Suggestions**.

The Target Area project themes from this process are summarized below:

**AVCP**

• Protect community infrastructure from erosion (such as rock armoring)
• Assist eroding community with relocation process
• Move threatened infrastructure from tidal flood zone to higher ground
• Conduct structured emergency planning process

Kawerak
• Construct seawalls for flood, erosion protection and to allow community development in currently threatened areas
• Develop boat docks to accommodate deep-draft barges and to increase economic development
• Construct roads to improve access to higher ground during storms

TCC
• Build floodwalls to mitigate flooding and to protect community infrastructure and facilities
• Develop community emergency supplies
• Construct moveable dock for delivery of critical supplies
• Develop new subdivision to accommodate future community growth
• Use natural vegetation (trees) for erosion protection of riverbank
• Develop storage in protected, higher ground for equipment and goods
• Improve critical facilities such as clinics
• Construct roads to provide access to state road system and urban centers

Phase 2 Project Evaluation Criteria and Conceptualization
The team identified several projects focusing on the seven communities within the AVCP and TCC areas that were identified as most impacted, most distressed, with unmet recovery needs. In addition, with the intent to qualify Kawerak as a Target Area in Phase 2, a Kawerak community was selected. These projects would be presented to leadership from DHSEM, DCRA, AHFC, and DEC, who would select one or more projects to advance to the final Phase 2 application.

Evaluation criteria are based on guidance from the Phase 2 NOFA regarding what HUD considers to be a competitive project proposal, and the specific factor and subfactors HUD will score, as presented in pages 29-51 of the NOFA. See Tab 6: Phase 2 Review Criteria for an overview of the scoring factors and subfactors, possible points for each, and a summary of the criteria considered. Factors 3-4 apply specifically to the proposed project(s), while Factors 1, 2 and 5 have to do with the applicant’s capacity (with the exception of Community Engagement Capacity under Factor 1: Capacity, which is included in the criteria below), resilience needs of the target areas, and the applicant’s long-term commitment to resilience.
TEAM CRITERIA

- The community where the project would be taking place is an engaged and willing participant in the process.

CRITERIA FROM REVIEW CRITERIA SECTION OF NOFA

- The project responds to and addresses the Unmet Recovery Need and the framed recovery issues from Phase 1
- The project meets a CBDG National Objective (*Benefiting Low- and Moderate-Income Persons; Preventing or Eliminating Slums or Blight; and Meeting Urgent Needs*).
- The project increases the resilience of the Most Impacted Distressed -Unmet Recovery Needs (MID-URN) target area, and region or state.
- Vulnerable populations will benefit from the project. *(For purposes of this NOFA, a vulnerable population is a group or community whose circumstances present barriers to obtaining or understanding information or accessing resources. HUD notes that research and HUD’s disaster recovery experience indicate that lower-income persons are less able to recover from the effects of disasters. Further, you are required under civil rights and fair housing requirements to ensure that access to program information and benefit is not limited based on a protected class, such as race, color, national origin, religion, sex, family status, or disability. Understanding that certain populations may be more vulnerable and less resilient to the negative effects of extreme events must inform threshold and factor responses.”)*
- The project includes an established community engagement process, and/or a well-thought-out strategy to engage community stakeholders, especially vulnerable populations and their advocates, and those most likely to be affected by future threat(s) and hazard(s) including the effects of climate change, in discussing and identifying unmet recovery and resilience needs, and designing and selecting approaches to address the needs.
- The project represents a model for other communities.
- The project is scalable
- The project is replicable and the mechanism for replicating can be explained
- The project integrates existing required plans or strategies into a holistic vision.
- The project is comprehensive in nature and helps the community:
  - recover from the effects of the covered disaster
  - advance community development objectives such as economic revitalization AND
  - improve the community’s ability to absorb or rapidly recover from the effects of a future extreme event, stress, threat, hazard, or other shocks including greater resilience to negative effects of climate change
- A detailed and feasible schedule can be provided for completing all of the proposed activities within the time requested.
- The level of environmental review required for the project can be provided. *Having recent environmental studies related to the project will be helpful.*
- The project is consistent with the Consolidated Plan and/or with a regional sustainability plan for the jurisdiction in which the most impacted and distressed target area is located
• The project is consistent with a FEMA-approved Local Mitigation Plan and/or a DOT-approved Transportation Plan covering the most impacted and distressed target area.
• There is a direct financial commitment (direct leverage) in the form of cash committed by an Applicant or a Partner to the project, and is the funding will be available to directly carry out the project. *(Resources must be firmly committed as of the application deadline date.)*
• Funding is available to the Applicant or Partners to carry out activities that directly support the project, but are not part of the sources and uses of the project. *(Example: a university professor who received grant funding to conduct a healthy environment study for the target area)*

Five project concepts are being developed from the communities identified as most impacted, most distressed, and with unmet recovery needs (including one from the Kawerak region). These projects will be presented to DHSEM, DCRA, AHFC, and DEC leadership from which to select one or more projects to advance to the final Phase 2 application.

**Emmonak:** create disaster/climate change transportation infrastructure for innovative rural residential roads, a port at the mouth of the Yukon River and a taxiway/runway for the AVCP regional hub, Emmonak.

**Kotlik:** 1) new construction and reconstruction of energy efficient homes in the village of Kotlik using a similar design used by the Cold Climate Housing Research Center in Atmautluak in a neighboring census tract, which used innovated toilet systems to reduce water and sewer needs; 2) redesign and repair of the utilidor system (water and sewer) to insure greater resilience from winter storm surges and flooding; and 3) development of a disaster resilience food stuffs storage facility to insure the protection of the communities’ traditional food supplies.

**Newtok:** Assist the Village of Newtok with its relocation process through the design and construction of homes, roads, alternative energy, decentralized water/sewer facilities, and a zero-waste landfill at the Native Village of Newtok’s relocation site, Mertarvik, on Nelson Island. This project will be carried out in coordination with the Newtok Planning Group and will implement the community resilience strategy presented in the Mertarvik Strategic Management Plan. To site roads, homes, energy and water/sewer facilities, the project utilizes the Mertarvik Final Community Layout Plan (May 12, 2015) and the Mertarvik final Paper Plat (May 12, 2015). The project proposes the development of innovative rural residential roads, 50 new housing units based on a Mertarvik Prototype designed by the Cold Climate Housing Research Center and constructed by a trained local labor force, the design and construction of cost-effective water and sewer infrastructure informed by the DEC Alaska Water-Sewer Challenge, an innovative energy system, and a zero-waste landfill.
**Galena:** The repair, mitigation and development of Galena community housing, energy and water/sewer facilities. This project involves the repair, mitigation and development of Galena community housing, energy and water/sewer facilities. This project will be carried out in coordination with the City of Galena and the Louden Tribal Council and will implement the community resilience strategy presented in the Galena Comprehensive Plan, The City of Galena and Louden Tribal Council Local and Tribal Mitigation Plans, and the DR-4122 Galena Long Term Recovery Strategy. The project proposes the development of resilient, innovative residential housing project; property acquisition and demolition and establishment of open green space and cultural subsistence areas; elevation of residential housing and community infrastructure; and innovative repair and mitigation of water/sewer, waste disposal and energy infrastructure. 50 new housing units based on Alaska regional prototypes designed by the Cold Climate Housing Research Center and will be constructed by a trained local labor force. The design, repair, mitigation and construction of cost-effective water and sewer infrastructure informed by the DEC Alaska Water-Sewer Challenge, and an innovative energy system. Repair and mitigation of the local solid waste and power generation facilities would be informed by Alaska DEC and its experience in arctic waste disposal systems. Residential and community infrastructure elevation will be conducted using the latest arctic appropriate methodologies designed by the USACE and implemented by the State of Alaska in 2013-2015.

**Shaktoolik:** Design and construction of a vegetated berm; a storm surge evacuation mound and shelter; Construction of a tank farm further away from the coast; and Development of a local monitoring program as part of the Shaktoolik’s participation in the ANTHC’s Environmental Observer (LEO) program.
PHASE 1 THRESHOLD REQUIREMENTS

Applicants must demonstrate that the Target Area meets the threshold requirements for:

- At least one **Most Impacted Characteristic**
- At least one **Distressed Characteristic**

and there are

- **Unmet Recovery Needs** in the Target Area identified as “most impacted and distressed” that have not been addressed by other sources.

**MOST IMPACTED CHARACTERISTICS** considers the damage resulting from the Qualified Disaster (*choose at least one for threshold purposes)*:

(a) **HOUSING.** A concentration of housing damage in a sub-county area due to the eligible disaster causing *damage to either a minimum of 100 homes or serious damage to a minimum of 20 homes.*

   **Acceptable Data Sources:**
   - Appendix C provides a list of disasters with concentrations of housing damage meeting this requirement.
   - Applicants may also submit local data, provided
     a) the data show concentrated damage meeting this standard, and
     b) HUD agrees with the validity of the data (see http://www.HUDUSER.org/CDBG/AppendixC that shows 741 Census Tracts and 257 Census Places that meet this standard outside of the already determined most impacted counties.

(b) **INFRASTRUCTURE.** Damage to permanent infrastructure (i.e. FEMA Category C to G) in a sub-county area estimated at $2 million or greater.

   **Acceptable Data Sources:**
   Applicants must provide either an engineering report or FEMA Project Work Sheet with an estimated repair amount (total repair costs can include the extra cost to repair this infrastructure resiliently) or other evidence of an estimate of expenditures to make repairs that support this claim.

(c) **ECONOMIC REVITALIZATION.** A disaster in a sub-county area causing significant employment loss or extended harm to the local economy.

   **Acceptable Data Sources:**
   Applicants must briefly demonstrate employment loss (a one percentage point or greater higher local unemployment rate in the impacted area six to 12 months after a disaster compared to the same month in the year prior to the disaster in that area; or specific information that 50 or more people were no longer employed in or near the most impacted area for six months or longer due to the disaster); or other harm to the economy; and describe how the employment loss or harm stems from the Qualified Disaster (applicant may support a short description with local data or surveys).
ENVIRONMENTAL DEGRADATION. Environmental Degradation that threatens long-term recovery of critical natural resources and places housing, infrastructure, and/or economic revitalization at risk. A disaster resulting in significant degradation to the environment putting the housing, infrastructure, and/or economic drivers in the area or nearby areas at risk of great harm for a future disaster. Examples include a fire destabilizing a watershed creating flood risk downstream or threatening economic revitalization by harming recreational activities that support to local economies; damage to stream beds from a severe flooding event damaging a containment dike or dam increasing risk of more flood damage to property; damage to wetlands or barrier islands from a Hurricane reducing protection from future Hurricanes or harming local economies such as fishing and eco-tourism.

Acceptable Data Sources:
Applicants must describe the damage to the environment and support with references to any studies supporting the claim of future risk.

DISTRESSED CHARACTERISTICS considers stress or deficit factors prior to the Qualified Disaster or high concentrations of damage that research and experience indicate result in greater disaster impact or more costly and difficult recovery and revitalization (choose one or more)

a) DISASTER IMPACTED LOW- AND MODERATE-INCOME HOUSEHOLDS. Applicant can demonstrate with data that more than 50 percent of the people in the target area are at less than 80 percent of area median income (grantees may use CDBG low-and moderate-income summary data areas to demonstrate this characteristic- see www.HUDUSER.org/CDBGRDR/AppendixD; Under the heading “Data Sets” applicants may use the link for “All Block Groups by State” if the Most Impacted target area is a Block Group, Census Tract or aggregation of Census Tracts; use the link for “Local Government Summaries by State” if the target area is a sub-county place. To calculate the percent less than 80 percent of median income, sum the column “low mod” for each of the geographic components comprising the most impacted area and divide by the sum of the column “low mod univ” for the same area.)

b) LOSS/SHORTAGE OF AFFORDABLE RENTAL HOUSING. There is a severe shortage of affordable rental housing (there are a minimum of 100 renters with income less than 50 percent of median in a target area AND 60 percent or more of these have a severe housing problem - paying more than half their income for rent, overcrowded, or without kitchen or plumbing based on 2007-11 ACS data provided by HUD) or as a result of the effects of the disaster there is a new high risk of damage to more than 100 assisted rental housing units from a future event the intended intervention would protect against. Applicants must provide a 1-2 paragraph description, with supporting data, to demonstrate this characteristic.

c) DISASTER IMPACTED A FEDERAL TARGET AREA OR ECONOMICALLY FRAGILE AREA. The affected area is a tribal area, contains a Promise Zone, is in a Strong Cities Strong Communities site, and/or has an unemployment rate more than 125 percent of the
national average unemployment rate. Applicants must demonstrate this characteristic and provide supporting documentation.

d) **DISASTER IMPACTED AN AREA WITH PRIOR DOCUMENTED ENVIRONMENTAL DISTRESS.** For example, the affected area contains or is adjacent to and negatively affected by a contaminated property cleaned, undergoing cleanup, or proposed for cleanup. States maintain a list of “brownfield” sites, many of which are linkable via this source: [http://www.epa.gov/brownfields/state_tribal/state_map.htm](http://www.epa.gov/brownfields/state_tribal/state_map.htm). Applicants must demonstrate the prior documented environmental distress.

e) **HOUSING.** A concentration of housing damage in a sub-county area due to the eligible disaster causing damage or serious damage to at least 10 percent of the homes located there. Appendix C provides a list of disasters with concentrations of housing damage meeting this requirement. Applicants may also submit local data, provided a) the data show concentrated damage meeting this standard, and b) HUD agrees with the validity of the data (see [http://www.HUDUSER.org/CDBGRDR/AppendixC](http://www.HUDUSER.org/CDBGRDR/AppendixC)).

**DEMONSTRATING UNMET RECOVERY NEEDS THRESHOLD REQUIREMENT**

To meet the Unmet Recovery Need threshold requirement, the applicant must submit an Exhibit B narrative that demonstrates, with the criteria described in A or B below, that the applicant has Unmet Recovery Needs in the area(s) identified as “most impacted and distressed” that have not been addressed by other sources. Other sources include but are not limited to insurance, state and local funds, SBA disaster loans, FEMA, Army Corps of Engineers, non-profit contributions, or prior allocations of CDBG funds. Applicants may choose to submit information separately quantified for each of the areas identified as “most impacted and distressed” in which the applicant wishes to expend grant funds; however, Unmet Recovery Needs information aggregated for all identified most impacted and distressed areas will also be accepted for threshold purposes. Note that, for construction projects or programs you may include the reasonable extra costs related to implementing the project or program in a prudent, resilient manner. Also, you only need to respond to the minimum requirements for threshold purposes, but for purposes of responding fully to the Phase 1 and Phase 2 factors in the NOFA, you must identify and demonstrate all Unmet Recovery Needs you intend to use CDBG-NDR funds to address.

*(Note: the first section addresses a target area that is within a County that was previously determined by HUD to be most impacted - for Applicants with a previous allocation of CDBG Disaster Recovery funds in response to major disasters in 2011, 2012 or 2013. As this does not apply to Alaska, this section was not included form the NOFA.)*

Applicants without a previous allocation of CDBG Disaster Recovery funds in response to major disasters in 2011, 2012 or 2013 proposing a sub-county most impacted and distressed target area, OR Applicants with a previous allocation proposing a sub-county target area that lies outside of a HUD-determined most impacted county (MIC), **must provide information that meets a minimum of one (1) of these items:**
1. **HOUSING.** Are households still displaced from housing due to the disaster or are there housing units in or near the most impacted and distressed sub-county target area that were damaged by the disaster and have not yet been repaired? If no, you do not have Unmet Recovery Needs for this subfactor. If yes:

Indicate the number of households still displaced or homes with remaining repair needs that will not be served by existing programs, including CDBG-DR programs, due to inadequate funding. Twenty or more displaced households or twenty still damaged homes must be documented to meet this requirement.

**Acceptable data sources (any one of these is sufficient for threshold purposes):**

(a) If you are running a CDBG-DR or other recovery housing program, an analysis that shows that the program waiting list and a reasonable estimate of aggregate average unmet repair needs (after insurance, FEMA, SBA) exceeds the existing CDBG-DR funds available. (Total repair costs can include the reasonable extra cost to buyout homes or repair homes resiliently, e.g., extra cost to elevate or build a safe room.)

(b) If not running a CDBG-DR or other recovery housing program currently, briefly explain why prior allocations of CDBG-DR funding, together with other funding sources, are inadequate to provide a housing program AND provide:

   i. (i) Recent emergency management data indicating households are still displaced from the disaster. This might include information from FEMA on number of households still receiving emergency rental assistance or living in a FEMA Transitional Housing Unit. This could also include information from homeless providers indicating that they are still serving households that lost their housing due to the disaster; OR

   ii. A methodologically sound “windshield” survey of the most impacted and distressed target area conducted since January 2014. A list of addresses needs to be provided to HUD of units identified with remaining damage. A survey of 9 of these addresses confirming (i) the damage is due to the disaster and (ii) they have inadequate resources from insurance/FEMA/SBA for completing their repairs. Statistical accuracy is not required, so this can be a purposive sample of easy to contact residents.

2. **INFRASTRUCTURE.** Is there damage to permanent public infrastructure (i.e. FEMA Category C to G) that has not yet been repaired due to inadequate resources (and, if you have a CDBG-DR allocation, for which no CDBG-DR funding has been identified in an action plan) in or serving the most impacted and distressed sub-county target area? If no, you do not have Unmet Recovery Needs for this subfactor. If yes:

Describe the damage, the location of the damaged permanent public infrastructure relative to the most impacted and distressed target area, the amount of funding required to complete the repairs, and the reason there are inadequate funds. There must be a minimum of $400,000 in unfunded permanent infrastructure repair needs to meet this requirement, this “unfunded” amount can include the local match requirement for FEMA
Public Assistance or Department of Transportation permanent infrastructure projects. (If you include the amount of cost share for a U.S. Army Corps of Engineers project, note that no more than $250,000 of CDBG-DR or CDBG-NDR may be used for such a cost share (per project). This is not waivable.)

Acceptable data source:
An engineering report or FEMA Project Work Sheet(s) with an estimated repair amount and uses statement for the repairs showing the funding shortfall (total repair costs may include the extra cost to repair this infrastructure resiliently), and your explanation of why existing CDBG-DR resources (if any), together with other funding sources, are inadequate to meet this repair need.

3. ECONOMIC REVITALIZATION. Are there continuing unmet economic revitalization recovery needs due to the disaster in or near the most impacted and distressed sub-county target area that cannot be addressed with existing resources, including CDBG-DR funds already allocated (if any)? If no, you do not have Unmet Recovery Needs for this subfactor. If yes:

Describe the extent of those needs and how the needs are connected with the disaster and the most impacted and distressed sub-county target area. Any one of the following, together with a narrative statement describing how the need results from the impacts of the disaster, would satisfy this requirement:

i. a minimum of 5 businesses with remaining repair needs;
ii. business revenues continued to be depressed by 10 percent or more relative to revenues prior to the disaster for one or more modest-sized employers (10 or more employees) due to the disaster; OR
iii. three or more smaller businesses show revenues 10 percent less than prior revenues.

Acceptable data source (any one of these is sufficient for threshold purposes):
HUD recognizes that information related to specific businesses may be sensitive, so is explicitly noting that you may submit documentation for this factor via a password-protected data link, as described above. Clearly label any sensitive information and HUD will limit disclosure of covered information as required by federal FOIA requirements. HUD is requiring submission of this information to ensure use of the best available data, as opposed to simple assertion.

A narrative from the Applicant must describe how the need results from the impacts of the disaster based on:

(a) Unmet repair needs for businesses: “Windshield” survey showing a minimum of 5 businesses with remaining repair needs AND a survey of 5 business owners confirming damage due to the disaster and repairs not completed due to not receiving adequate resources from insurance and (if applicable) other federal funds including CDBG, CDBG-DR, and/or SBA funds. Addresses of businesses with continuing needs must be provided; OR
(b) Decreased revenues for business (es): Analysis by a reputable public or private
source showing continuing economic damage to the most impacted and distressed
sub-county target area due to the disaster or a survey of business (es) who provide
(i) number of employees before storm and current; (ii) total gross revenues in year
before disaster and total gross revenues in most recent year; and (iii) a description
of how the reduction in revenues is related to the disaster. To meet this criteria –
one modest size employer (10 or more employees) or three smaller businesses
(fewer than 10 employees) must show most recent year total gross revenues of 10
percent less than the year before the disaster and there needs to be a clear
connection to the disaster. Names and addresses of impacted businesses must be
provided.

4. **ENVIRONMENTAL DEGRADATION.** *Environmental Degradation that threatens long-term
recovery of critical natural resources and places housing, infrastructure, and/or economic revitalize...
Is there environmental damage from the disaster that has not yet been addressed and cannot be addressed with existing resources? If no, you do not have Unmet Recovery Needs for this subfactor. If yes:

**Describe the remaining damage to the environment and how the damage is connected with the disaster and the most impacted and distressed sub-county target area.** Applicants must describe the remaining damage with a cost estimate for making repairs or reconstruction that is $400,000 or greater and support with references to any studies supporting the claim.

**Acceptable data source (any one of these)**

A detailed report from a reputable public or private organization completed since June 2013
describing the remaining damage with a certification after March 2014 indicating that there is remaining damage of $400,000 or more.