

# Alabama Department of Economic and Community Affairs (ADECA)

## 2020 CDBG-DR Public Action Plan for Hurricanes Sally and Zeta

Amendment No. 5 (Substantial)

Submitted to HUD:

Approved by HUD:

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## 1. Executive Summary

In the May 24<sup>th</sup>, 2022, and February 3<sup>rd</sup>, 2022, Federal Register allocation notices (**87 FR 6364** and **87 FR 31636**, respectively), Section II, Use of Funds, states: *“The Appropriations Act requires that prior to the obligation of CDBG-DR funds by the Secretary, a grantee shall submit a plan to HUD for approval detailing the use of funds. The plan must include the criteria for eligibility, and how the use of these funds will address long-term recovery and restoration of infrastructure and housing, economic revitalization, and mitigation in the MID areas.”* ADECA is the administering agency for these recovery funds. Additionally, all CDBG-DR funded activities must clearly address the impact of the disaster for which funding was allocated. This means each activity must:

- Be a CDBG eligible activity (or be eligible under a waiver or alternative requirement in applicable Federal Register Notices),
- Meet a National Objective, and
- Address a direct or indirect impact from the major disaster in a Presidentially declared county.

In compliance with these requirements outlined in the Federal Register, ADECA has developed this 2022 State Action Plan for Disaster Recovery (the “Action Plan”) to describe how the allocated funding will be administered to address long-term recovery needs in the HUD- and State-identified MID areas in a way that is compliant with all federal, state, and local regulations.

The programs and method of distribution outlined in this Action Plan are supported by the findings of the unmet needs assessment, included in this document, along with results of outreach and collaboration with local community stakeholders in the areas impacted by Hurricanes Sally and Zeta. These sources helped determine the remaining unmet needs in local affected communities, as required by HUD. Based on the Unmet Needs Assessment, the largest portion of unmet needs resulting from the covered storms is related to housing recovery. The State has calculated a total unmet need of \$770,193,957 as a result of Hurricane Sally and Hurricane Zeta.

The proposed allocation of funding described in this Action Plan includes activities for the administration and planning of recovery programs, housing, infrastructure, and economic revitalization, and other CDBG-DR eligible activities, as needed. The programs and method of distribution proposed are wide ranging and include a State-administered single-family housing recovery program, a formula allocation, and a competitive allocation to address as

much unmet need as possible with an emphasis on local participation, outreach, and impact to the most vulnerable and hard to reach populations impacted by the hurricanes.

**Unmet Need and Proposed Allocation**

<b>Category</b>	<b>Remaining Unmet Need</b>	<b>% of Unmet Need</b>	<b>Program Allocation Amount</b>	<b>% of Program Allocation</b>
Administration	\$0.00	0.00%	\$23,581,697.00	4.70%
Planning	\$0.00	0.00%	\$4,017,604.00	0.80%
Housing	\$711,920,934.00	92.43%	\$397,400,747.00	79.28%
Infrastructure	\$13,508,011.00	1.75%	\$76,251,952.00	15.21%
Economic Revitalization	\$44,765,011.00	5.81%	\$0.00	0.00%
Public Services	\$0.00	0.00%	\$0.00	0.00%
Mitigation	\$0.00	0.00%	\$0.00	0.00%
<b>Total</b>	<b>\$770,193,956.00</b>	<b>100.00%</b>	<b>\$501,252,000.00</b>	<b>100.00%</b>

Data Source(s): Federal Emergency Management Agency (FEMA) U.S. Department of Housing and Urban Development (HUD), U.S. Small Business Administration (SBA), U.S. Census Bureau (Census), and Zillow Home Value Estimates

\*Allocation Amount includes project delivery costs and does not include administration and planning costs.

## 2. Unmet Needs Assessment

The Unmet Needs Assessment section of the CDBG-DR Public Action Plan for Hurricanes Sally and Zeta is unchanged by this Amendment 5 – Substantial.

## 3. General Requirements

**Substantial Amendment.** A change to this action plan is considered to be a substantial amendment if it meets the following criteria:

- A change in program benefit or eligibility criteria,
- The addition or deletion of an activity, or
- Proposes a reduction in the overall benefit requirement, or
- The allocation or reallocation of greater than 10% of the ~~budget~~ total allocation

When ADECA pursues the substantial amendment process, the amendment will be posted here at <https://adeca.alabama.gov/> for a 30-day public comment period. The amendment will be posted in adherence with ADA and LEP requirements. ADECA will review and respond to all public comments received and submit to HUD for approval.

ADECA will provide a 30-day comment period prior to submission of all substantial action plan amendments to HUD. All substantial amendments will be published on ADECA's disaster recovery website and will afford citizens, affected local governments, and interested parties an opportunity to review and comment on the proposed amendment.

Any updates or changes to the action plan in response to public comments will be clearly identified in the action plan. A summary of the public comments received regarding the amendment, and ADECA's response to each, will be included in the amendment's finalization process.

## 4. Grantee Proposed Use of Funds

**Overview.** ADECA is the lead agency and responsible entity for administering 501,252,000.00 in CDBG-DR funds allocated for disaster recovery. ADECA has prioritized programs that will assist in meeting the short- and long-term needs of impacted citizens and communities, in accordance with the unmet needs analysis and input from community stakeholders. The unmet needs analysis indicates there are unmet needs in three primary recovery sectors: (1) Housing; (2) Infrastructure, and (3) Economic Revitalization. ADECA's program design aims to address these unmet needs and increase resilience against future disasters in impacted community needs.

By far, the largest area of unmet need is in the housing sector, followed by economy, then infrastructure. The State requested economic recovery project proposals from the MID areas but received no proposals, indicating that the economic unmet needs are being met through other funding sources at the local level. The State, in partnership with eligible local governments, will deliver a complementary suite of programs to address unmet needs in housing and infrastructure. Further, the State intends to implement programs that result in mitigation and resilience improvements in impacted areas, creating hardened housing, infrastructure, and communities that can better weather the impacts of future disasters.

Based on the best available data at time of publication, the unmet need in the housing sector accounts for over 90% of the total remaining unmet need in impacted areas. As such, the largest portion of program funding is dedicated to housing recovery efforts, with a specific focus on restoration and hardening of single-family owner- and renter-occupied units. Proposed housing activities are further described in the program description section below.

Although the unmet needs analysis revealed only a small portion of unmet needs in the infrastructure sector, feedback from public hearings, listening sessions, and damage

assessments conducted by ADECA revealed infrastructure programming to be a top priority for impacted communities. In an effort to deliver a comprehensive recovery, the State has dedicated an allocation of funding to the infrastructure sector in response to this feedback. Failing to adequately address needs in this sector would be to neglect to recognize the cascading impacts of disaster and interconnected nature of housing and infrastructure.

Because the State understands that available data on infrastructure impacts and unmet needs is preliminary, and because local stakeholders have indicated a strong need for infrastructure and/or mitigation activities, a portion of grant funds greater than the percentage of unmet needs has been dedicated to the infrastructure sector.

Budget by Category		
	Dollars Allocated	% of Programs Budget
Housing	\$ 397,400,747.00	79.28%
Infrastructure	\$ 76,251,952.00	15.21%
Economic Development	\$ 0.00	0%
<b>Total</b>	<b>\$ 473,652,699.00</b>	

Table 51: ADECA Budget by Category

Up to five (5) percent of the overall grant allocation will be used to cover costs associated with administration of the grant. Funds have been allocated to the administration budget to fund activities such as planning for, monitoring, and managing the CDBG-DR grant.

To maximize the amount of funds that benefit storm impacted communities, the State will not allocate the full fifteen (15) percent of grant funds to planning activities, as allowed by HUD. Instead, ~~2.66 percent~~ less than 1 percent of the overall grant is set aside for planning activities. Planning activities include initiatives such as studies, analyses, and additional planning and capacity building efforts to aid eligible local government partners to develop additional recovery and resilience programs and initiatives. Planning funds may also support the design and implementation of disaster recovery initiatives outlined in this Action Plan.

High Level Budget	
[A] Total Budget ,	\$ 501,252,000.00
[B] Admin Budget	\$ 23,581,697.00
[C] Planning Budget	\$ 4,017,604.00
[D] Programs Budget	\$ 473,652,699.00

Table 52: ADECA High Level Budget Breakdown

As required by the Federal Register, the State will spend a minimum of 80% of the total allocation in the HUD-identified MID areas of Mobile, Baldwin, Clarke, and Escambia Counties. Remaining funds may be used to carry out eligible activities in State-Designated MID areas. Additionally, no less than 70% of the total allocation will be expended to benefit

Low- to Moderate-income persons. All proposed programs will include some disaster recovery related mitigation initiatives, as well as allow for stand-alone mitigation activities to ensure the State complies with the 15% mitigation expenditure target.

The State will implement the Home Recovery Alabama Program (HRAP) and the Local Recovery Planning Program (LRP). Subrecipient partners will deliver other housing, infrastructure, and economic revitalization recovery efforts, to be further defined as an outcome of local planning efforts. All programs outlined in this program are subject to funding availability.

### Program Budget

The budget table included below outlines how funds are allocated across each initiative described above. Funding will be used to address all three (3) HUD National Objectives, which are abbreviated in the table as follows:

- Low-to Moderate-Income: LMI
- Elimination of Slum and Blight: SB
- Meet an Urgent Need: UN

a. Program Budget

Program Category	Program	Budget	HUD identified MID Budget	Grantee identified MID Budget	% of Allocation	Maximum Award	National Objective	Estimated Outcome
Housing	Rehab	\$319,762,168.00	\$276,412,168.00	\$43,350,000.00	63.79%	\$350,000.00	LMI	0
	Buyout	\$1,973,912.00	\$1,973,912.00	\$0.00	0.39%	\$0.00	0	0
	New Construction	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0	0
	Other	\$75,664,667.00	\$61,514,667.00	\$14,150,000.00	15.10%	\$0.00	LMI, SB, UN	0
Economic Revitalization	Workforce Training	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0	0
	Business Grants	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0	0
	Other	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	LMI, SB, UN	0
Infrastructure	Water/sewer Improvements	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0	0
	Health Facilities	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0	0
	Other	\$76,251,952.00	\$60,101,952.00	\$16,150,000.00	15.21%	\$0.00	LMI, SB, UN	0
Public Services	Legal Services	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0	0
	Housing Counseling	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0	0
	Other	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0	0
Mitigation	Mitigation	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	0	0
Admin	Admin	\$23,581,697.00	\$18,865,358.00	\$4,716,339.00	4.70 %	\$0.00	0	0
Planning	Planning	\$4,017,604.00	\$3,275,131.00	\$742,473.00	0.80%	\$0.00	0	0
<b>Total</b>		<b>\$501,252,000.00</b>	<b>\$422,143,188.00</b>	<b>\$79,108,812.00</b>	<b>100.00%</b>			

Data Source(s): ADECA Action Plan

**Connection to Unmet Needs.** As required by the 87 FR 6364, and 87 FR 31636, ADECA will allocate at least 80 percent of the funds to address unmet needs with HUD-identified “most impacted and distressed” areas. The remaining 20 percent of the allocation may be used to address unmet needs that received a Hurricane Sally and Hurricane Zeta presidential major disaster declaration.

This Action Plan primarily considers and addresses housing, infrastructure, and economic development unmet needs along with mitigation activities incorporated in all programs. The allocations for each recovery program are based on the Unmet Needs Analysis, which identified unmet needs in the areas of housing, economy, and infrastructure. ADECA also performed a Mitigation Needs Assessment to inform activities proposed for the mitigation funding requirement.

At least seventy percent (70%) of all program funds will benefit LMI persons or households. As most of the programs submitted in the Action Plan are either limited to benefitting LMI persons or prioritize assisting LMI persons in accessing programs, the State anticipates meeting the requirement. The State will also be assessing the status of eligible unmet needs of LMI persons and non-LMI persons and determining, at an appropriate stage, whether to request a modification of the requirement.

Unmet Needs and Budget Allocations by Sector					
Sector	Unmet Needs per Sector	% of Unmet Needs	Budget Allocation per Sector		% of Total Budget
Housing	\$ 711,920,934	92%	\$	397,400,747.00	79.28%
Infrastructure	\$ 13,508,011	2%	\$	76,251,952.00	15.21%
Economic Development	\$ 44,765,011	6%	\$	0.00	0%
<b>Total</b>	<b>\$ 770,193,957</b>	<b>100%</b>	<b>\$</b>	<b>473,652,699.00</b>	<b>100%</b>

Table 53: Unmet Needs and Allocations by Sector

The table above shows a breakdown of the unmet needs and budget allocations per sector. The unmet needs for housing accounts for 92% of the total unmet needs and ADECA has allocated 80% of grant funding to housing. Due to the comments ADECA received from county stakeholders regarding the impacts Hurricanes Sally and Zeta had on local infrastructure, the State has allocated additional funding towards infrastructure to address these concerns.

**Leveraging Funds.**

To maximize the impact of the CDBG-DR funding provided to the State, there will be an ongoing commitment by ADECA to identify and leverage other federal and non-federal

funding sources. ADECA understands the importance of leveraging all available funds to maximize the effectiveness of comprehensive recovery efforts and increase its ability to address and mitigate against major disasters.

ADECA will leverage CDBG-DR funds with other funding sources such as FEMA and other state and local funds. ADECA will maximize relationships with other federal and state agencies, corporations, foundations, nonprofits, and other stakeholders as a means of leveraging all viable sources of funding. In addition, to ensure coordination in funding and activities, ADECA will utilize inter-agency partnerships to ensure that information, program updates, and data are shared when necessary.

The CDBG-DR funds will be used to address critical unmet needs that remain after all other sources have been committed and exhausted to prevent any duplication of benefits. The activities identified in this Action Plan were specifically selected as both eligible CDBG-DR activities and filling a gap that other funding sources could not fill. Specific efforts to leverage other funds and programs are as follows:

### **Housing**

ADECA has designed the housing programs in this action plan to cover the gap funding needed by leveraging funds from insurance, FEMA, SBA, private and nonprofit entities, other assistance to complete the repairs from Hurricanes Sally and Zeta. The housing programs may also leverage CDBG-DR funds with funds that include but are not limited to the following programs: Low-Income Housing Tax Credit (LIHTC), HOME, Permanent Supportive Housing, and Continuum of Care.

### **Economic Development**

ADECA requested economic recovery project proposals from the MID areas but did not receive any proposals. This indicates that, while the unmet needs analysis showed a remaining need in this sector, the needs are being addressed through other funding sources at the local level. Due to this, the State does not plan to fund economic development activities with CDBG-DR funds.

### **Infrastructure**

ADECA will combine funding to address infrastructure unmet needs from other federal funding sources such as non-disaster CDBG funding, USDA, and FEMA PA and HMGP. Additional non-federal resources such as local and state public funds will provide additional leverage to these disaster recovery funds. By encouraging local governments to use CDBG-DR to cover the required local match for the FEMA programs, communities will be able to maximize both funding sources.

### **Grant Funding Interchangeability**

Public Law 117-43 permits grantees that receive funds appropriated under any prior or future appropriations for activities authorized under title I of the HCDA related to unmet

recovery needs, to use grant funds interchangeably for the same activities in overlapping HUD-identified or Grantee-identified Most Impacted and Distressed (MID) areas if the activities address unmet needs of both disasters. ADECA will utilize a portion of the funding appropriated under Public Law 117-43 for Hurricanes Sally and Zeta (B-21-DZ-01-0001) as program administrative costs and activity costs for activities proposed in its 2023 Tornadoes Action Plan for Disaster Recovery (B-23-DG-01-0001) to allow grant funds interchangeability in Dallas County which experienced damage to single family housing in both the 2020 and 2023 disasters. The table below outlines the grant funds ADECA intends to use interchangeably.

<b>Funding Interchangeability</b>			
<b>Original Location of Funds</b>	<b>New Location of Funds</b>	<b>Amount of Funding</b>	<b>Type of Costs</b>
Public Law 117-43 (2020 Hurricanes Sally and Zeta) B-21-DZ-01-0001	Public Law 117-328 (2023 Tornadoes) B-23-DG-01-0001	\$1,696,292.00	Program Administrative Costs
Public Law 117-43 (2020 Hurricanes Sally and Zeta) B-21-DZ-01-0001	Public Law 117-328 (2023 Tornadoes) B-23-DG-01-0001	\$2,080,000.00	Activity Costs

**Program Partners.**

During the implementation of this grant, ADECA may enlist program partners through formal agreements such as subrecipient agreements and interagency agreements and through informal partnerships. If needed, ADECA will engage a broad array of program partners so that programs are accessible and tailored to equitably meet the unmet needs of disaster-impacted residents and communities.

ADECA will ensure that any selected subrecipients have the capacity and expertise to carry out the program activities included in their scope of work. If needed, ADECA may allocate administrative funding, as appropriate, to assist in improving subrecipient capacity by providing technical assistance and training to subrecipients on program requirements, applicable federal and state cross-cutting requirements, and reporting and performance requirements.

The program descriptions include the types of subrecipients or interagency partnerships that may support ADECA in the administration or implementation of specific programs.

**Distribution of Funds.**

ADECA will implement a hybrid method of distribution (MOD) inclusive of a state-administered housing rehabilitation/reconstruction program, a planning program, a formula allocation to the Hardest Hit MID (HHMID) areas, and competitive allocations for non-HHMID counties.

The MOD described herein will support the recovery of residents and businesses by supporting the critical recovery areas of housing, infrastructure, and economic revitalization, while prioritizing MID areas and LMI households and serving the most vulnerable and hardest to reach populations impacted by the hurricanes. ADECA will continue to update the unmet needs assessment as needed, and through this continued assessment may allocate funds to additional subrecipients.

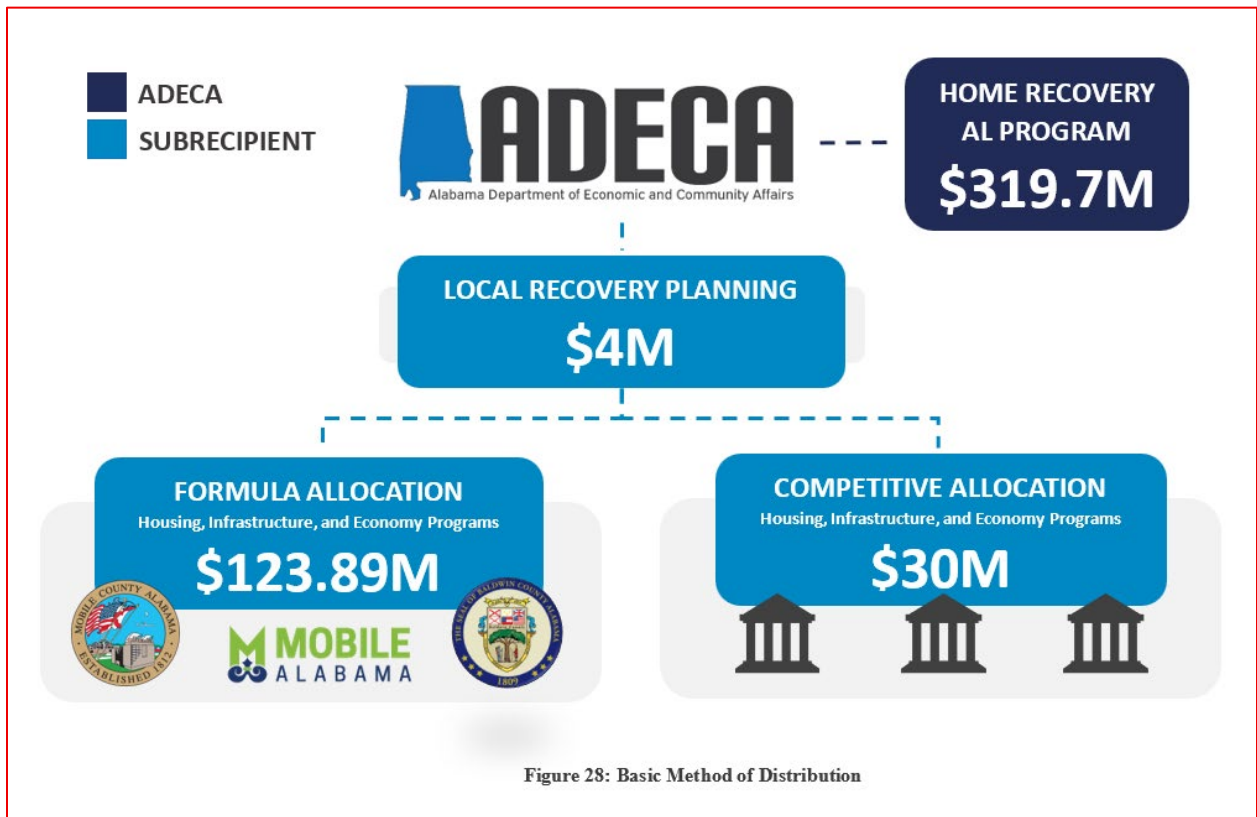


Figure 28: Basic Method of Distribution

Figure 28: Basic Method of Distribution

Direct Housing Rehabilitation/Reconstruction Program – “Home Recovery Alabama Program” (HRAP) - ~~\$291M~~ \$319.7M

As described in the unmet need analysis, over 90% of all remaining unmet needs are related to housing. Approximately 80% of FEMA IA applications received across impacted areas are for typical single family housing types (house/duplex or mobile home). To address the overwhelming single family housing recovery need, ADECA will allocate ~~nearly 77%~~ 80% of allocated housing funds to a state-administered single-family rehabilitation/reconstruction program that addresses the unmet needs of impacted households that reside within all MID and State-MID counties. The percent of funding allocated to this single-family housing

recovery initiative is proportionate to the percentage of traditional single-family housing applications received by FEMA IA.

The housing program includes activities such as repair, rehabilitation, and reconstruction of owner and renter occupied units; replacement of substantially damaged Manufactured Housing Units; relocation assistance; inclusion of mitigation and resilience measures, and related public services, as needed.

#### Local Recovery Planning (LRP) - ~~\$10M~~ \$4M

ADECA will provide funding to MID counties to develop Local Recovery Plans (LRPs), with the intent of developing plans that describe the intended uses of funds for review and approval by ADECA (formula subrecipients) or a plan that describes the greatest needs and develops a list of projects that may then be submitted during the competition phase (competition subrecipients). All plans must demonstrate extensive local outreach; ensure collaboration with local governments, non-profits, and other stakeholders; and adequately demonstrate the subrecipient's capacity to administer programs or activities described in the plans. The successful development and approval of an LRP is required prior to the implementation of subrecipient recovery activities.

#### Hardest Hit MID (HHMID) Formula Allocations - \$123.89M

The unmet needs analysis revealed nearly all remaining unmet needs across all sectors are located within Mobile and Baldwin Counties. These two (2) counties account for nearly 93% of all remaining unmet need across all sectors. When considering storm impact in Mobile County, the City of Mobile suffered disproportionate impacts compared to other areas within the County. The City of Mobile accounts for 61.7% of the real property loss verified by FEMA and applicants in City of Mobile account for 71% of all FEMA IA applications submitted in Mobile County. The table below shows all unmet needs in each MID county by recovery category.

	County	Housing	Infrastructure	Economy	Total	% of Overall Unmet Needs
<b>MID</b>	<b>Mobile</b>	\$ 450,072,015	\$ 992,030	\$ 16,512,487	<b>\$ 467,576,533</b>	<b>61%</b>
	<b>Baldwin</b>	\$ 215,105,891	\$ 3,768,226	\$ 23,782,453	<b>\$ 242,656,570</b>	<b>32%</b>
	<b>Escambia</b>	\$ 17,543,416	\$ 347,066	\$ 779,671	<b>\$ 18,670,152</b>	<b>2%</b>
	<b>Clarke</b>	\$ 7,322,268	\$ 1,208,424	\$ 852,838	<b>\$ 9,383,529</b>	<b>1.2%</b>
<b>State MID</b>	<b>Dallas</b>	\$ 8,506,358	\$ 24,242	\$ 1,986,201	<b>\$ 10,516,802</b>	<b>1.4%</b>
	<b>Washington</b>	\$ 5,699,502	\$ 4,250	\$ 814,496	<b>\$ 6,518,248</b>	<b>0.8%</b>
	<b>Wilcox</b>	\$ 3,451,085	\$ 7,499	\$ 12,363	<b>\$ 3,470,946</b>	<b>0.5%</b>
	<b>Marengo</b>	\$ 3,406,713	\$ 161	\$ 24,707	<b>\$ 3,431,581</b>	<b>0%</b>
	<b>Perry</b>	\$ 813,686	\$ 27,745	\$ (204)	<b>\$ 841,227</b>	<b>0.1%</b>
	<b>Statewide</b>	\$ -	\$ 7,128,368	\$ -	\$ 7,128,368	
	<b>Total Unmet Needs</b>	<b>\$ 711,920,934</b>	<b>\$ 13,508,011</b>	<b>\$ 44,765,011</b>	<b>\$ 770,193,957</b>	

Table 54: Unmet Needs Breakdown by Recovery Sector and County

To respond to the needs of these Hardest Hit MID (HHMID) areas and ensure recovery dollars are expended in geographic areas with the highest storm impacts, the State has chosen to allocate funding directly to the HHMID areas, with funding in Mobile County distributed between the City of Mobile and Mobile County. Recovery in HHMID areas will be aided by the Home Recovery Alabama Program (HRAP), which will support the single-family housing recovery in the HHMID areas.

The HHMID areas of the City of Mobile, Baldwin and Mobile Counties will receive funding through a formula allocation, described in detail below.

#### HHMID Allocation Formula

The State has set-aside direct funding allocations for Baldwin and Mobile counties in the amount of \$123.8 million. Mobile County will receive \$80.5 million, split between Mobile City (\$53 million) and Mobile County excluding Mobile City (\$27 million). Baldwin County will receive \$43 million.

The formula used to calculate the direct allocation of funding to Baldwin and Mobile Counties uses the average of the following factors: Percent of population, Percent of remaining Unmet Needs, and Percent of Medium and High SoVi population. As a result of this formula, 65% of funding has been allocated to Mobile County, and 35% to Baldwin County.

Hardest Hit MID (HHMID) Formula Allocation									
MID Population			MID Total Remaining Unmet Need			MID SoVi Score			Average of Factors
MID	Population	Percent	MID	Remaining Unmet Needs	Percent	MID	High & Med SoVi Population	Percent	
Baldwin County	231,767	36%	Baldwin County	\$ 242,656,570	34%	Baldwin County	129,472	35%	35%
Mobile County	414,809	64%	Mobile County	\$ 467,576,533	66%	Mobile County	245,297	65%	65%
<b>Total</b>	<b>646,576</b>	<b>100%</b>	<b>Total</b>	<b>\$ 710,233,102</b>	<b>100%</b>	<b>Total</b>	<b>374,769</b>	<b>100%</b>	
Source: <a href="https://www.census.gov/quickfacts/fact/table/baldwincountyalabama,mobilecountyalabama,AL,US/POP010220">https://www.census.gov/quickfacts/fact/table/baldwincountyalabama,mobilecountyalabama,AL,US/POP010220</a>			Source: ADECA Unmet Needs Analysis			Source: Social Vulnerability Index (SoVi) - University of Central Florida, Vulnerability Mapping			

Table 55: Hardest Hit MID Formula Allocation

The formula used to calculate the split allocation between Mobile City and Mobile County uses the average of the following factors: Percent of Real Property FEMA Verified Loss (RPFVL) and the Percent of Medium and High SoVi Population. As a result of this formula, Mobile City will receive 66% of the total funding allocation for Mobile County. Mobile County, excluding Mobile City, will receive 34% of the total funding allocation for Mobile County.

Mobile City and County Formula Allocation									
Real Property FEMA Verified Loss (RPFVL)			Medium SoVi Population			High SoVi Population			Average of Factors
MID	RPFVL	Percent	MID	Medium SoVi Pop	Percent	MID	High SoVi Pop	Percent	
Mobile City	\$29,635,795	64%	Mobile City	108,279	63%	Mobile City	53,832	72%	66%
Mobile County	\$16,742,352	36%	Mobile County	62,391	37%	Mobile County	20,795	28%	34%
<b>Total</b>	<b>\$46,378,147</b>	<b>100%</b>	<b>Total</b>	<b>170,670</b>	<b>100%</b>	<b>Total</b>	<b>74,627</b>	<b>100%</b>	
Source: FEMA Individual Assistance - Open Source Data			Source: Social Vulnerability Index (SoVi) - University of Central Florida, Vulnerability Mapping			Source: Social Vulnerability Index (SoVi) - University of Central Florida, Vulnerability Mapping			

Table 56: Mobile City and County Formula Allocation

Based on the formula calculation, Mobile County, Mobile City, and Baldwin County will receive:

- Mobile County, excluding Mobile City, will receive \$15.2 million for infrastructure and economic development, and \$12.1 million for housing.
- Mobile City will receive ~~\$29.1~~ \$20.8 million for infrastructure and economic development, and ~~\$23.2~~ \$32.2 million for housing.
- Baldwin County will receive \$24.1 million for infrastructure and economic development, and \$19.2 million for housing.

These allocations will be available for a wide range of eligible activities to address unmet housing, infrastructure, economic development, mitigation, and other eligible unmet needs, as described in each subrecipient's Local Recovery Plan. HHMID subrecipients must align local recovery budgets by recovery category with unmet needs described in this Action Plan, unless a Local Recovery Plan proposes an alternative unmet needs analysis and budget allocation that is adequately supported by the best available local data.

Examples of eligible activities include, but are not limited to, affordable multifamily rental housing, first-time homebuyer assistance, voluntary buyout, rental assistance, construction or rehabilitation of storm water management systems, resilience measures for critical facilities, public facility improvements, and workforce training and development. Single-family rehabilitation activities will be ineligible.

HHMID	Housing	Non-Housing	Administration	Total
City of Mobile	\$32,234,137.00	\$20,814,900.00	\$100,000.00	\$53,149,037.00
Mobile County	\$12,085,432.00	\$13,194,376.00	\$100,000.00	\$27,379,808.00
Baldwin County	\$19,169,010.00	\$24,092,676.00	\$100,000.00	\$43,361,686.00
<b>Total</b>	<b>\$63,488,579.00</b>	<b>\$60,101,952.00</b>	<b>\$300,000.00</b>	<b>\$123,890,531.00</b>

Table 57: Formula allocations to HHMID areas

MID Competitive Allocations - ~~\$52.2M~~ \$30M

All MID counties outside the HHMID areas will be eligible to submit projects and/or activities through a competitive process. There will be two competitive processes, one for housing activities and one for non-housing activities. Although the remaining unmet needs in the remaining MID areas (Clarke and Escambia) and the State-designated MIDs (Dallas, Washington, Wilcox, Marengo, and Perry) accounts for approximately 7 percent of the total unmet needs, the State determined that this proportion of grant funds was not sufficient to adequately address the need through these areas. Therefore, the State designated 10 percent of grant funds to address the disaster recovery and mitigation needs in these communities.

Housing - ~~\$30M~~ \$14M

This competition will seek to achieve the goals of improving/increasing the local affordable housing stock, improving housing security, and enabling households to move out of harm's way. The housing competition will allow for the submission and selection of CDBG-DR eligible activities such as affordable multifamily rental housing, first-time home buyer assistance, and voluntary buyout. Single-family rehabilitation and reconstruction will not be eligible.

Non-Housing - ~~\$22.2M~~ \$16M

This competition will seek to achieve the goals of improving critical infrastructure, assisting in the recovery of commercial areas, providing critical public services, and increasing resilience for future disasters. Eligible activities under the non-housing competition may include, but are not limited to, flood control and drainage repair and improvements, resilience measures for critical facilities, public facility improvements, workforce training and development, façade improvements, housing counseling, and assistance to small businesses through grants or physical improvements.

Budgets for competitive allocations are split by recovery sector, with separate competitive allocations available to address unmet housing, and eligible non-housing needs in impacted communities. The table below outlines the funding distribution for competitive allocations, by recovery sector.

Recovery Sector	Budget
Housing	\$14,150,000
Non-housing	\$16,150,000
<b>Total</b>	<b>\$30,300,000</b>

Table 58: Competitive Allocation Budget by Recovery Sector

## **Program Income.**

ADECA understands that when implementing certain activities with CDBG-DR funds there is the potential for generating program income. In the event a program involves program income, ADECA shall develop and adopt specific policies and procedures and will specify in those policies whether program income may be retained by local governments, if applicable. These amounts will be recorded and tracked in the State accounting systems and recorded in the DRGR system. Up to five percent (5%) of the program income generated by CDBG-DR funds may be used for administrative costs by ADECA, units of local government, or other subrecipients.

Unless otherwise specified in the program guidelines or delineated in subrecipient agreements, all program income shall be remitted to the State. To the maximum extent feasible, program income shall be used or distributed before additional withdrawals from the U.S. Department of the Treasury are made. Grant funds are not allowed to be drawn until all program income has been expended. Program income will be treated as additional CDBG-DR funds subject to the requirements of the applicable Federal Register Notice and must use it in accordance with the disaster recovery action plan.

Subrecipients will be required to report program income quarterly and will be subject to applicable rules, regulations, and HUD guidance.

If any program income remains at program closeout, the Department may return these funds to HUD or transfer the balance to the State's annual CDBG program, as allowable per HUD.

## **Resale or Recapture.**

A CDBG-DR award recipient may be required to repay all, or a portion of the funds received. The reasons for recapture include, but are not limited to, the following:

- An applicant is determined to have provided false or misleading information to ADECA or its subrecipient,
- An applicant withdraws from the program prior to completion of the project,
- An applicant does not complete construction,
- An applicant does not report the receipt of additional insurance, SBA, FEMA, non-profit assistance, and/or
- Any other DOB received after calculation of the award, and / or
- An applicant voluntarily or involuntarily relinquishes ownership of the property prior to the successful completion of a final program inspection.

ADECA shall establish resale or recapture requirements for programs funded and shall outline those requirements in the program guidelines for the activity. The resale and recapture provisions must clearly describe the terms of the resale and recapture, the specific circumstances under which these provisions will be used, and how the provisions will be enforced (whether by recorded deed restrictions, covenants, or other similar mechanisms). The affordability restrictions, including the affordability period requirements,

do not apply to housing units newly constructed or reconstructed for an owner-occupant to replace the owner-occupant's home that was damaged by the disaster.

Obligations and means of enforcement for non-housing programs will vary depending on the nature of the grantee (i.e., public, or private entity), purpose, and amount of funds; all of which are subject to federal and state laws, regulations, and terms and conditions associated with the grant.

To address any potential future DOB, applicant beneficiaries must, as a requirement for participating in the CDBG-DR program, agree to enter into a signed subrogation agreement to repay any assistance later received for the same purpose as the CDBG-DR funds. If, after an award is issued, a re-assessment of need occurs and the applicant receives an increased award, then the applicant shall be required to sign a revised subrogation agreement to repay any assistance later received for the same purpose as the CDBG-DR funds.

### **Pre-Agreement Costs**

ADECA may seek reimbursement for pre-agreement costs after the effective date of the grant agreement. Pre-agreement costs could include the costs for salaries, benefits, and direct operating expenses of ADECA that were used for the planning of the CDBG-DR programs. Other pre-agreement costs could include activity delivery and projects costs associated with eligible disaster recovery programs identified within this Action Plan.

Moreover, the State may request reimbursement for certain eligible pre-award costs necessary for the efficient and timely implementation of its recovery programs. These costs may include environmental review, damage assessment and other costs necessary for determining eligibility of housing related projects. The State will also work with non-governmental entities working to fund housing recovery through short term, private and philanthropic loan funds intended to jump start critical housing recovery programs for at risk populations.

### **Outreach and Engagement**

ADECA followed HUD's guidance on facilitating equitable engagement, by engaging with community partners, including them in the decision-making, and changing Action Plan program design based on their input.

As outlined in the Outreach and Engagement section of this Action Plan, the State reached out to numerous stakeholders in the impacted areas, including local governments, state agencies, the MOWA Choctaw Indians, non-governmental organizations, and public housing authorities, among other entities, to solicit feedback and inform the disaster recovery programs summarized in this action plan.

Additionally, ADECA held two public hearings on September 12 and 13, 2022 in Baldwin and Mobile counties (both HUD-identified MID areas), respectively, as well as an all-day listening session with community partners in Mobile (City) August 10, 2022, to inform the Action Plan, as well as the types of recovery programs ADECA should seek to implement.

To further ADECA’s practice of equitable engagement, ADECA is allocating planning funds to eligible jurisdictions to engage in the community planning process to engage, more locally, communities and vulnerable populations to inform its recovery and mitigation unmet needs and identify projects that will equitably benefit those communities. In order for jurisdictions to administer programs through the direct allocation of funds or the housing, infrastructure and economic development competitions, jurisdictions will be required to have completed, submitted, and have an ADECA-approved Local Recovery Plan.

## b. Program Details.

The State of Alabama’s Community Development Block Grant – Disaster Recovery (CDBG-DR) funding will be allocated as shown on the preceding pages and as described below. The allocation awards will be announced on ADECA’s website and through distributed public notifications.

For a more detailed narrative of the considerations taken for method of distribution, see Distribution of Funds section above.

### Home Recovery Alabama Program (HRAP)

Home Recovery Alabama Program (HRAP)		
Program Budget	Administering Entity	National Objective
\$319,762,168	ADECA	LMI
Maximum Award	Start – End Date	Eligible Area
\$350,000	Duration of the Grant	Mobile, Clarke, Escambia, Baldwin, Dallas, Marengo, Perry, Wilcox, and Washington Counties

- Exceptions to the maximum award caps may be made on a case-by-case basis. These exceptions may include but are not limited to additional funding necessary to comply with federal accessibility standards or reasonable accommodation for persons with

disabilities. Any exceptions will be provided in accordance with the State's adopted exceptions policy.

## HURRICANE IMPACT

The impacts of Hurricane's Sally and Zeta on homes in the impacted areas are estimated to be nearly \$750 million. The housing stock suffered damage from flooding, rain, and wind, impacting homes from the ground up, leaving homes severely damaged, families living in substandard or unsafe conditions or even displacing them from their communities. These storm impacts affected both Owner-Occupied housing, and Rental-Occupied housing.

## ELIGIBLE ACTIVITIES

Section 105(a)(1), 105(a)(3), 105(a)(4), 105(a)(8), 105(a)(11), 105(a)(18), 105(a)(25)

- Single-family owner-occupied rehabilitation, reconstruction, or new construction
- Repair and replacement of manufactured housing units
- Hazard mitigation
- Elevation
- Relocation assistance
- Demolition only
- Public service (e.g., housing counseling, legal counseling, job training, mental health, general health, etc. (fifteen percent (15%) cap))
- Administrative activities associated with recovery of single-family housing stock

## PROGRAM PRIORITIES

Applications for owner-occupied households will be prioritized based on specific income and vulnerability factors, as follows:

1. LMI (80% AMI and below) and
  1. Age-dependent household member(s) AND
  2. Household member(s) with a documented disability
2. LMI (80% AMI and below) and
  1. Age-dependent household member(s) OR
  2. Household member(s) with a documented disability
3. LMI (80% AMI and below)

For the purposes of program priorities, age-dependent households are defined as households including members greater than or equal to 65 years old and/or less than or equal to 17 years old.

## ELIGIBILITY

The Home Recovery Alabama Program (HRAP) will offer pathways to assist both owner-occupied and rental housing units. Eligibility criteria for owner or renter pathways will be slightly different. Both are described below.

## Owner-Occupied Housing Units

- The owner must have owned the home at the time of the qualifying disaster and at time of application. If the property is part of a multi-unit structure, such as a duplex, the applicant must own the entire structure
- The owner must have occupied the home as their primary residence at the time of qualifying disaster
- The home must be in a HUD- or State-identified MID area
- The home must have unrepaired damaged as a result of the qualifying disaster
- The structure must be a single-family dwelling, such as a stick-built, modular, or mobile home
- Property taxes current and mortgage (if applicable) must be in good standing

## Rental Property Applicants

Property owners do not have to reside in the state at the time of application to be eligible for program funding.

Rental property and applicants must meet all criteria listed below to be eligible for program funding:

- Applicant must not be in bankruptcy or active foreclosure.
- Property taxes current and mortgage (if applicable) in good standing.
- Applicant must have owned the property at the time of the storm and at the time of application. If the property is part of a multi-unit structure, such as a duplex, the applicant must own the entire structure.
- The home must be in a HUD- or State-identified MID area.
- The home must have unrepaired damaged as a result of the qualifying disaster.
- Property must be an eligible structure type; such as a stick-built, modular, or mobile home.
- Property must not be located in a FEMA-designated 100-year floodplain.
- Property must be unoccupied at the time of application.
- At least fifty-one percent (51%) of units must be occupied by certified LMI households if awarded program funds.

## METHOD OF DISTRIBUTION

ADECA will administer the Home Recovery Alabama Program directly. Units of local government may partner with ADECA to support outreach activities within their jurisdiction.

## PROGRAM OBJECTIVE & DESCRIPTION

To assist the most vulnerable and impacted households, the State will directly implement the **Home Recovery Alabama Program (HRAP)** to meet the housing needs identified in the unmet needs assessment. This housing program may include:

1. Repair, Rehabilitation and Reconstruction of existing Owner- and Renter-Occupied housing units,
2. Replacement of storm-damaged Manufactured Housing Units (MHU),
3. Inclusion of needed and appropriate mitigation and resilience measures, including but not limited to elevation, roof reinforcement, or floodproofing.

The State of Alabama will require construction methods, standards, and materials that are quality, durable, energy efficient, sustainable, and mold resistant. All rehabilitation, reconstruction, and new construction will meet all applicable state and local building codes, in addition to any minimum construction standards required under the Federal Notice (87 FR 31647). For instance, for all reconstruction, new construction or substantially improved structures, the State of Alabama will require new construction to meet a Green Building certification standard.

For any non-substantially damaged or improved structures, the State of Alabama will use HUD's CPD Green Building Guidelines and apply them to rehabilitation work to include the use of mold resilient products. Additionally, if older or obsolete products are replaced due to rehabilitation work, the State of Alabama will use products and appliances designated ENERGY STAR, WaterSense or Federal Energy Management Program (FEMP).

All housing activities will be required to, at a minimum, meet applicable and current HUD Housing Quality Standards (HQS). The State of Alabama will define "not suitable for rehabilitation" in the program guidelines.

Hazard mitigation and long-term resilience is a priority for the program; therefore, it may fund any necessary and appropriate mitigative, or resilience measure to that end. In addition to funding physical resilience measures, the program may provide assistance to eligible applicants for the initial purchase of required flood insurance coverage of the property for a duration up to the required occupancy period. Through this type of assistance, the homeowner will remain compliant with Federal flood insurance requirements during the initial occupancy period and provide necessary protection to the property for future disasters. During the period, it is expected that the homeowner will assume responsibility of the flood insurance premium to remain compliant after the initial term.

The State of Alabama will not distribute funds directly to eligible applicants. The intent of the program is to repair or replace damaged housing stock throughout the impacted areas. To that end, the State will directly manage all construction activities funded by this CDBG-DR allocation through the State procured construction contractor(s).

The primary objective of the program is the provision of decent, safe, and sanitary housing in the areas impacted by the disasters. The program is designed to ensure that the housing

needs of extremely-low, very-low, low- and moderate-income households, protected classes, and vulnerable populations, including individuals that were made homeless as a result of the disasters, are addressed to the greatest extent feasible, including preventing these populations from experiencing homelessness. The program will address disaster-related damages, unrelated improvements to bring properties up to HUD Housing Quality Standards (HQS), if needed, and may mitigate potential future damage.

The program will provide grant funding to eligible homeowners and rental property owners in impacted areas to repair, reconstruct, or replace their storm-damaged property in place. Eligible property types may include stick-built homes, mobile home units (MHU), modular homes, and other single-family residence types. Grant funds will be used to pay for the cost of construction activities directly to program-selected general contractors. Applicants with ownership interest in a property who cannot supply the acceptable ownership documents as outlined in the program guidelines due to heirship or probate issues may be referred to Legal Services Alabama for assistance to clear title defects related to probate and/or heirship. No funds will be distributed directly to homeowners.

#### AFFORDABILITY COMPLIANCE PERIOD AND AFFORDABLE RENTS

All assisted small rental properties (1-4 units) must be restricted to lease only to low- and moderate- income households (those households that do not exceed 80% of the Area Median Income (AMI)) at affordable rent rates during the affordability period of five years. Affordable rents are rents that do not exceed the High HOME Rent Limits adjusted for the number of bedrooms in the unit, and location of the property.

For all assisted owner-occupied units, the applicant must agree to own and occupy the assisted property for 3 years after completion. Exceptions may be made for extenuating circumstances on a case-by-case basis as determined by ADECA.

#### Local Recovery Planning Program (LRP)

Local Recovery Planning (LRP) Program		
Program Budget	Administering Entity	National Objective
\$4,017,604	ADECA	N/A
Maximum Award	Start – End Date	Eligible Entities
\$3,000,000	Commence on Action Plan Approval – up to 12 months	Mobile and Baldwin Counties and City of Mobile, and Local Recovery Planning Consortium (ACCA and Clarke, Escambia, Dallas, Marengo, Perry, Wilcox, and Washington Counties)

## **HURRICANE IMPACT**

Robust local planning efforts are integral to the identification of planning programs and/or projects that address remaining localized unmet needs. LRP will ensure that adequate community engagement and outreach efforts occur, including consultation and collaboration with local governments, nonprofits, advocacy groups and other impacted stakeholders, especially those that cater to vulnerable populations. These plans will be submitted to ADECA for review and approval prior to the implementation of local recovery efforts to ensure proposed programs/activities are eligible, address unmet recovery or mitigation needs, and adequately serve LMI and vulnerable populations, including persons with disabilities.

## **ELIGIBLE ACTIVITIES**

Eligible planning activities within this program are limited to: Section 105(a)(12) – Planning Activities

Program funds are restricted to planning activities only, including capacity building and development of local implementation plans. Counties must submit and receive approval of local recovery plans prior to submitting projects under the competitive programs or receiving funding for direct formula allocations.

## **ELIGIBILITY**

Baldwin, Clarke, Dallas, Escambia, Marengo, Mobile, Perry, Washington, Wilcox Counties, and the City of Mobile.

## **METHOD OF DISTRIBUTION**

The State may select an eligible nonprofit or nongovernmental organization, as a subrecipient, to act as an administering entity of the Local Recovery Planning Program. This administering entity may support individual subrecipients, and/or a consortium of subrecipients, as described in the program guidelines.

## **Formula Allocation Subrecipients**

Baldwin and Mobile Counties and the City of Mobile, as formula allocation grantees, will be required to develop and submit a Local Recovery Plan to the State for review and acceptance. These plans must include a set of eligible recovery programs and/or projects to be implemented using the formula allocation based on data and outreach resulting from the planning process. Local Recovery Plans must also demonstrate adequate local capacity to implement proposed programs and/or projects as a condition of approval. Baldwin and Mobile Counties and the City of Mobile will receive an award of up to \$1 million to develop a Local Recovery Plan as described in the program guidelines.

## **Competitive Allocation Subrecipients**

Counties that are eligible to participate in the competitive housing and non-housing programs will be required to work with the Association of County Commissions of Alabama (ACCA) to submit a single Local Recovery Plan (LRP) to the State. This plan must identify recovery and mitigation strategies that will lead to projects eligible for submission to the competitive programs. As a subrecipient of ADECA, the ACCA will be the lead administering entity of the LRPP on behalf of counties eligible to participate in the competitive housing and non-housing programs. Eligible participating counties will form a planning consortium (the Consortium) which will work with the ACCA to support the ACCA's development, submission to ADECA, and implementation of a single LRP that will represent all participating counties. As the lead administering entity and subrecipient of ADECA for the LRPP, the ACCA will receive an award of up to \$3 million to work with the Consortium to develop the LRP as described in the program guidelines. A portion of this budget may be allocated to planning grants for Consortium members.

## **PROGRAM OBJECTIVE & DESCRIPTION**

Planning efforts are critical to positioning counties by understanding the recovery, resilience and mitigation needs of their communities through direct outreach to local partners, identification of and engagement with priority populations, support of regional collaboration, and pinpointing the necessary components required to successfully implement disaster recovery and mitigation projects. This process is intended to assist the counties with engaging the community and identifying the most impactful programs and/or projects to address community unmet needs through the development of a Local Recovery Plan (LRP).

The intent of the LRP is to:

- Develop local recovery plans (LRP) for eligible uses of available CDBG-DR funds, ensuring local input, greatest unmet needs and needs of hard to reach/vulnerable populations are addressed.
- Allow counties, either individually or through a consortium led by a nonprofit or nongovernmental entity, to conduct an introspective capacity assessment and develop an implementation plan to ensure subrecipients will have the capacity to implement proposed projects. These assessments will help locals effectively identify necessary internal and external resourcing (staff hiring or consultant) needs, procurement activities and responsibilities, fiscal obligations, and receive or pursue technical assistance.
- Identify programs and/or projects that address immediate recovery needs while further positioning communities to pursue long-term mitigation actions at scale.

## **ADVANCING LONG-TERM RESILIENCE**

This program is designed to promote sound, sustainable long-term recovery plans and programs and/or projects that account for the unique hazards, opportunities, vulnerabilities, and disaster impacts within Alabama's MID disaster impacted counties.

**Formula Method of Distribution**

<b>Formula Method of Distribution</b>		
<b>Program Budget</b>	<b>Administering Entity</b>	<b>National Objective</b>
\$123,890,531	Mobile, Baldwin Counties and the City of Mobile	LMI, SB, UN
<b>Maximum Award</b>	<b>Start – End Date</b>	<b>Eligible Area</b>
Mobile County - \$27,379,808 Baldwin County - \$43,361,686 City of Mobile - \$53,149,037	Duration of the Grant	Mobile, Baldwin Counties and the City of Mobile

- Activities carried out using Urgent Need as the National Objective will be required to provide detail as to what is the urgent need, why it is of specific urgency, and how the conditions pose a serious threat to the health and/or welfare of the community. Documentation will also require direct applicability to the unmet needs assessment, including urgency, type, scale, and location of the disaster-related impact.

**HURRICANE IMPACT**

Programs and/or projects must either have a demonstrable tie-back to the impacts from Hurricanes Sally and/or Zeta and address an unmet need or implement projects that mitigate activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

**ELIGIBLE ACTIVITIES**

Eligible activities within this program may include all community development activities under section 105(a) of the Housing and Community Development Act of 1974 (as amended), applicable waivers identified in applicable Federal Register notices, with the exception of single-family housing rehabilitation/reconstruction activities.

**ELIGIBILITY**

Eligible applicants and programs will be described in the approved local recovery plans.

**INELIGIBLE ACTIVITIES**

ADECA has allocated more than 50 percent of its grant to the direct-run single-family housing program; therefore, single-family owner-occupied and rental housing rehabilitation/reconstruction activities will be ineligible.

## METHOD OF DISTRIBUTION

Formula Model

## AWARD ALLOCATION BREAKDOWN

ADECA has allocated a total of \$123,890,531 to three subrecipients – the City of Mobile, Baldwin County, and Mobile County – on a formula basis to implement this program and assist with meeting residents’ unmet housing, infrastructure, economic, mitigation, and other needs in the two most-impacted MID areas.

Subrecipient	Housing	Non-Housing	Administration	TOTAL
Mobile (City)	\$32,234,137.00	\$20,814,900.00	\$100,000.00	\$53,149,037.00
Baldwin (County)	\$19,169,010.00	\$24,092,676.00	\$100,000.00	\$43,361,686.00
Mobile (County)	\$12,085,432.00	\$13,194,376.00	\$100,000.00	\$27,379,808.00
<b>TOTAL</b>	<b>\$63,488,579.00</b>	<b>\$60,101,952.00</b>	<b>\$300,000.00</b>	<b>\$123,890,531.00</b>

Table 59: Formula allocations by recovery categories

## PROGRAM OBJECTIVE & DESCRIPTION

This subrecipient-administered program will allow for the local implementation of a wide range of housing, infrastructure, economic development, and mitigation activities, based on the needs of the State’s Hardest Hit MID (HHMID) subrecipients—the City of Mobile, Baldwin County, and Mobile County.

Each subrecipient will be required to develop an individual Local Recovery Plan (LRP) as detailed in the Planning Program section of this action plan that identifies and describes the activities that will be eligible for funding using this formula allocation. ADECA will approve each subrecipient’s LRP prior to the implementation of recovery activities. Subrecipients will be allowed to fund programs and/or projects identified in the LRP and approved by ADECA, giving preference to programs and/or projects that are prioritized as described in the program guidelines.

## ADVANCING LONG-TERM RESILIENCE

Subrecipients will be required to demonstrate in their program guidelines how the proposed programs and/or projects will be operated and maintained beyond the life of the CDBG-DR grant. This program is designed to promote sound, sustainable long-term recovery that accounts for the unique hazards, opportunities, and disaster impacts within the State’s impacted communities and will aid the State by replacing damaged or destroyed housing with stock that is more energy-efficient, and resilient to flood hazards and the projected impacts of climate change.

Program guidelines will require that all new housing units incorporate resilience measures to combat the effects of future disasters.

ADECA will establish resilience performance metrics prior to implementation of the program and will require applicants to report on the performance measures for each activity.

### **Addressing Disaster-Related Systems**

Subrecipients will be required to address disaster-related systems in their local recovery plans.

Any construction of new stormwater management systems will be required to contain mitigation components that help protect against the future loss of life and property and can withstand future disasters and the impacts of climate change.

### **PROMOTING EQUITY IN HOUSING FOR VULNERABLE POPULATIONS**

When designing programs and approving LRPs, ADECA will encourage the subrecipients to draw on analysis from ADECA's 2020 report that details the impediments to fair housing choice in Alabama. The 2020 analysis identified that Black and Hispanic households in the State have disproportionate rates of housing problems, and that disability was the number one housing basis for complaints with cause—between 2004 and 2014. Additionally, failure to provide reasonable accommodation accounted for the second largest number of issues for fair housing complaints during this period, according to the March 2020 report.

Discriminatory patterns in lending are a factor that was cited as contributing to impediments in multiple areas, including R/ECAPs, disproportionate housing need, and fair housing outreach and enforcement. Due to this barrier to homeownership, the possibility that the program could have an unjustified, discriminatory effect on or failure to benefit racial and ethnic minorities in proportion to their communities' needs does exist.

To address this, ADECA has allocated sufficient funding to this program to aid qualified renters in accessing affordable homes. See section 8.3.10 Affordability Period and Affordable Rents for more information on how ADECA defines affordable rents.

The State will require awardees and subrecipients to complete training modules including but not limited to Fair Housing and Equal Opportunity, Minority- and Women-Owned Businesses, Section 3 to ensure prevention of discriminatory practices and failure of benefits reaching protected groups and vulnerable populations. These plans will include templates and technical assistance for subrecipients to assist them in being compliant with program requirements consistent with the Action Plan. The State will require subrecipients to consult with organizations that advocate on behalf of members of protected classes, vulnerable populations, and underserved communities to ensure that the proposed recovery programs align with both the communities' needs and the State's obligation to affirmatively further fair housing —when conducting their outreach and engagement activities.

Subrecipients will be required to include in their local recovery plans examples of how their actions can be expected to equitably benefit protected class groups, including racial and ethnic minorities, and sub-geographies in which residents belonging to such groups are concentrated. Additionally, subrecipients will be required to include examples of how the

programs may overcome prior disinvestment in infrastructure and public services for protected class groups.

### AFFORDABILITY PERIOD AND AFFORDABLE RENTS

If eligible activities result in the new construction of affordable rental housing of five or more units, CDBG-DR assisted units must be rented to low- and moderate-income households with incomes that do not exceed 80% area median income. Additionally, ADECA defines affordable rent not to exceed the High HOME Rents for the area and unit size. CDBG-DR assisted units must meet the affordability periods below:

Rental Housing Activity	Minimum Affordability Period in Years
Rehabilitation: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehab with refinancing	15
New Construction	20

Table 60: Affordability Periods

The enforcement of these affordability requirements will be through the registration of restrictive covenants, or other similar legal mechanism recorded to the property for the affordability period.

### Local Recovery Housing Competition

Local Recovery Housing Competition		
Program Budget	Administering Entity	National Objective
\$14,150,000	ADECA and Subrecipient(s)	LMI, SB, UN
Maximum Award	Start – End Date	Eligible Entities
Min - \$500,000 Max - \$5,000,000	Duration of Grant	Clarke, Dallas, Escambia, Marengo, Perry, Washington, and Wilcox Counties

- Exceptions to the maximum award caps may be made on a case-by-case basis. These exceptions may include, but are not limited to additional funding necessary to comply with federal accessibility standards or reasonable accommodation for persons with disabilities. Any exceptions will be provided in accordance with the State’s adopted exceptions policy.
- Activities carried out using Urgent Need as the National Objective will be required to provide detail as to what is the urgent need, why it is of specific urgency, and how the conditions pose a serious threat to the health and/or welfare of the community.

Documentation will also require direct applicability to the unmet needs assessment, including urgency, type, scale, and location of the disaster-related impact.

## **HURRICANE IMPACT**

Programs and/or projects must either have a demonstrable tie-back to the impacts from Hurricanes Sally and/or Zeta and address an unmet need or implement projects that mitigate activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

## **ELIGIBLE ACTIVITIES**

Eligible activities within this program may include but are not limited to the following: Section 105(a)(1), 105(a)(3), 105(a)(4), 105(a)(8), 105(a)(11), 105(a)(18), 105(a)(25).

Activities within this program may include, but are not limited to the following:

- Affordable Multi-Family Rental Housing
- First-time Homeowner/Homebuyer Assistance
- Voluntary Buyout
- Interim Housing Assistance/Rental Assistance
- Relocation Assistance
- Housing Counseling

## **ELIGIBILITY**

Counties in HUD or State-Designated MID areas (excluding Mobile County or Baldwin County). Local governments, non-profits, or government agencies may work with their respective County to propose projects or programs.

## **INELIGIBLE ACTIVITIES**

Ineligible activities within this program may include but are not limited to the following:

- Rehabilitation and reconstruction of single-family residences
- Creation of a secondary housing unit attached to a primary unit
- Installation of luxury items, such as a swimming pool
- Costs of equipment, furnishings, or other personal property not an integral structural fixture
- The value of the homeowner's sweat equity to rehabilitate their own property
- Mortgage guarantees
- Provision of on-going income payments
- Purchase of construction equipment

## **METHOD OF DISTRIBUTION**

## Competitive Model

The State may select an eligible nonprofit or nongovernmental organization, as a subrecipient, to act as an administering entity of the Local Recovery Housing Competition. This administering entity may support individual subrecipients, and/or a consortium of subrecipients, as described in the program guidelines.

## PROGRAM OBJECTIVE & DESCRIPTION

In order to maximize the funding opportunities for housing recovery located outside of Mobile and Baldwin Counties not served by ADECA-implemented Home Recovery Alabama Program, the State of Alabama will implement a ~~\$30~~ \$14 million-dollar competitive program to fund high-impact housing projects. Selected projects will maximize benefits to the community by providing funding for needed affordable housing projects, reducing area blight through housing redevelopment, preventing low-income individuals and families from experiencing homelessness, elevation and other mitigative measures. Other activities deemed necessary by local governments to meet the housing needs identified in the unmet needs assessment may also be eligible for funding under the housing competition.

Eligible applicants will be invited to submit applications for priority projects upon approval of their LRP. Submissions will be evaluated on several criteria including, but limited to, project beneficiaries, readiness, cost-benefit, mitigative aspects, service area demographics, and leveraging of other funding, among others as described in the program guidelines and grant application. A competitive process will ensure that implemented projects have high impacts and maximize the effects of the limited amount of CDBG-DR funding.

In order to enhance program participation and the geographic reach of these recovery funds, the Program may limit project/program submissions per applicant (whether applying individually or in partnership with another entity). This approach may increase the spread of CDBG-DR funding across the eligible area. Prior to opening the competitive application window, ADECA may send an announcement through its mailing list describing the details of this program as well as an announcement on the Department's disaster recovery website.

## Competition Overview

ADECA will accept project submissions during an open application period. Program eligibility criteria will be published in the program guidelines and grant application. In addition to eligibility threshold criteria, applications may be evaluated on, but are not limited to, the following criteria:

- Meeting of a HUD national objective
- Benefits to low-to-moderate income persons
- Project beneficiaries, including vulnerable populations, protected classes, hard-to-reach populations
- Social vulnerability index (SoVI) score
- Serving an underserved community (defined as areas that were designated as a Promise Zone, Opportunity Zone, a Neighborhood Revitalization Strategy Area, a tribal

area, or those areas that meet at least one of the distress criteria established for the designation of an investment area of Community Development Financial Institution at 12 CFR 1805.201(b)(3)(ii)(D).

- Serving an area that was economically distressed prior to the disasters
- Proximity to underserved areas
- Leveraging of other funding sources (I.e., providing the local FEMA match)
- Project readiness
- Demonstration of operations and maintenance feasibility

The scoring criteria will be included in the program guidelines and notice of funding availability advertised to the eligible areas. Supplemental information, data, analyses, documentation, commitments, assurances, etc. may be required or requested by ADECA for purposes of evaluating, rating, and selecting projects under this program.

### **AFFORDABILITY PERIOD AND AFFORDABLE RENTS**

If eligible activities result in the new construction of affordable rental housing of five or more units, CDBG-DR assisted units must be rented to low- and moderate-income households with incomes that do not exceed 80% area median income.

Additionally, ADECA defines affordable rent not to exceed the High HOME Rents for the area and unit size.

CDBG-DR assisted units must meet the affordability periods below:

<b>Rental Housing Activity</b>	<b>Minimum Affordability Period in Years</b>
Rehabilitation: Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000 or rehab with refinancing	15
New Construction	20

**Table 61: Affordability Periods**

The enforcement of these affordability requirements will be through the registration of restrictive covenants, or other similar legal mechanism recorded to the property for the affordability period.

### **ADVANCING LONG-TERM RESILIENCE**

This competitive program is designed to promote sound, sustainable long-term recovery and projects that account for the unique hazards, opportunities, land use restrictions, underserved communities, and disaster impacts within Alabama’s disaster-impacted counties from Hurricanes Sally and Zeta. Awarded projects will include those that mitigate, eliminate, or reduce the loss of life or property in the face of current and future natural hazards. Those projects will be required to be designed in such a way to minimize obsolescence.

#### **Meeting Mitigation Requirements**

HUD defines mitigation as “those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.” This program seeks to increase the resilience and reduce the long-term risk of damage. Favorable evaluation will be given to projects that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

### Local Recovery and Resilience Competition

Local Recovery and Resilience Competition		
Program Budget	Administering Entity	National Objective
\$16,150,000	ADECA and Subrecipient(s)	LMI, SB, UN
Maximum Award	Start – End Date	Eligible Area
Min - \$500,000 Max - \$3,000,000	Duration of the Grant	Clarke, Dallas, Escambia, Marengo, Perry, Washington, and Wilcox Counties

- Exceptions to the maximum award caps may be made on a case-by-case basis. These exceptions may include, but are not limited to additional funding necessary to comply with federal accessibility standards or reasonable accommodation for persons with disabilities. Any exceptions will be provided in accordance with the State’s adopted exceptions policy.
- Activities carried out using Urgent Need as the National Objective will be required to provide detail as to what is the urgent need, why it is of specific urgency, and how the conditions pose a serious threat to the health and/or welfare of the community. Documentation will also require direct applicability to the unmet needs assessment, including urgency, type, scale, and location of the disaster-related impact.

### HURRICANE IMPACT

Projects must either have a demonstrable tie-back to the impacts from Hurricanes Sally and/or Zeta and address an unmet need or implement projects that mitigate activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

### ELIGIBLE ACTIVITIES

Eligible activities within this program may include but are not limited to the following: Section 105(a)(1), (a)(2), (a)(4), (a)(5), (a)(7), (a)(8), (a)(9), (a)(11), (a)(14), (a)(15), (a)(16), (a)(17), (a)(21) and (a)(22).

Activities within this program may include, but are not limited to:

- Flood control and drainage repair and improvements, including the construction or rehabilitation of storm water management system.
- Restoration and modernization of infrastructure (such as water and sewer facilities, streets, provision of generators, bridges, public facilities, etc.)
- Resilience and elevation measures for critical facilities
- Repairs and modernization of damaged buildings that are essential to the health, safety, and welfare of a community when repairs to these buildings constitutes an urgent need (this can include police stations, fire stations, parks and recreational centers, community and senior centers, hospitals, clinics, homeless shelters, schools and educational facilities, and other public properties, including properties serving as emergency shelters)
- Natural or green infrastructure
- Communications infrastructure
- Public facility improvements, including streetscapes, lighting, sidewalks, and other physical improvements to commercial areas
- Acquisition, demolition, site preparation or rehabilitation of commercial structures carried out by a unit of local government
- Façade improvements to private or public structures in commercial areas
- Assistance to small businesses for rehabilitation and physical improvements to their places of business to increase resilience and to mitigate against future disasters
- Assistance to small businesses via grants or loans
- Workforce training and development
- Public services.

## **ELIGIBILITY**

Counties in HUD or State-Designated MID areas (excluding Mobile County or Baldwin County). Local governments, non-profits, or government agencies may work with their respective County to propose projects or programs.

## **INELIGIBLE ACTIVITIES**

- CDBG-DR funds may not be used to enlarge a dam or levee beyond the original footprint of the structure that existed prior to the disaster event. CDBG-DR funds for levees and dams are required to:
  - Register and maintain entries regarding such structures with the USACE National Levee Database or National Inventory of Dams;
  - Ensure that the structure is admitted in the USACE PL 84-99 Rehabilitation Program (Rehabilitation Assistance for Non-Federal Flood Control Projects);
  - Ensure the structure is accredited under the FEMA NFIP; and

- Maintain file documentation demonstrating a risk assessment prior to funding the flood control structure and documentation that the investment includes risk reduction measures.
- Funds may not be used to assist a privately owned utility for any purpose. A private utility, also referred to as an investor-owned utility, is owned by private investors and is for-profit as opposed to being owned by a public trust or agency (e.g., a coop or municipally owned utility).
- Buildings and facilities used for the general conduct of government (e.g., city halls, courthouses, and emergency operation centers).
- Contributions to a USACE project in excess of \$250,000.
- Assisting entities that failed to meet the conditions of obtaining and maintaining flood insurance on prior Federally assisted programs.
- If the property is purchased using eminent domain, the ultimate use of that property may not benefit a particular private party and must be for public use.
- Additional ineligible uses will be indicated in the program's policy and procedures.

## **METHOD OF DISTRIBUTION**

### **Competition Model**

The State may select an eligible nonprofit or nongovernmental organization, as a subrecipient, to act as an administering entity of the Local Recovery Housing Competition. This administering entity may support individual subrecipients, and/or a consortium of subrecipients, as described in the program guidelines.

## **PROGRAM OBJECTIVE & DESCRIPTION**

To maximize the funding allocated to counties outside of Mobile and Baldwin that were most impacted by Hurricanes Sally and Zeta, ADECA will implement a ~~\$22.2~~ \$16 million dollar competitive program to fund a wide range of high-impact infrastructure and economic revitalization activities that will maximize benefits to the community by preserving and improving critical infrastructure and public facilities, supporting the recovery of commercial areas, restoring commercial activity in those areas, and increasing resilience to future disasters.

Eligible applicants will be invited to submit applications for priority projects that will be evaluated on several criteria including, but not limited to, project beneficiaries, readiness, cost-benefit, mitigative aspects, service area demographics, and leveraging of other funding, among others. A competitive process will ensure that implemented projects have high impacts and maximize the effects of the limited amount of CDBG-DR funding.

To enhance program participation and the geographic reach of these recovery funds, the Program may limit project submissions per applicant (whether applying individually or in partnership with another entity). This approach may increase the spread of CDBG-DR funding across the eligible area.

Prior to opening the competitive application period, ADECA may send an announcement through its mailing list describing the details of this program as well as an announcement on the Department's disaster recovery website.

### **Competition Overview**

ADECA will accept project applications during an open application period. Applications may be evaluated on, but are not limited to, the following factors:

- Meeting of a HUD national objective
- Benefits to low-to-moderate income persons
- Project beneficiaries
- Cost per person benefiting
- Project beneficiaries including vulnerable populations, protected classes, hard-to-reach populations
- Social vulnerability index (SoVI) score
- Serving an underserved community (defined as areas that were designated as a Promise Zone, Opportunity Zone, a Neighborhood Revitalization Strategy Area, a tribal area, or those areas that meet at least one of the distress criteria established for the designation of an investment area of Community Development Financial Institution at 12 CFR 1805.201(b)(3)(ii)(D).
- Serving an area that was economically distressed prior to the disasters
- Leveraging of other funding sources (i.e., providing the local FEMA match)
- Project readiness

This scoring criteria will be included in the notice of funding availability advertised to the eligible areas. Supplemental information, data, analyses, documentation, commitments, assurances, etc. may be required or requested by ADECA for purposes of evaluating, rating, and selecting applicants under this program.

### **ADVANCING LONG-TERM RESILIENCE**

This competitive program is designed to promote sound, sustainable long-term recovery and projects that account for the unique hazards, opportunities, land use restrictions, underserved communities, and disaster impacts within Alabama's disaster-impacted counties from Hurricanes Sally and Zeta. Awarded projects will include those that mitigate, eliminate, or reduce the loss of life or property in the face of current and future natural hazards. Those projects will be required to be designed in such a way to minimize obsolescence.

### **Addressing Disaster-Related Systems**

As described in the Unmet Needs Assessment, there are infrastructure and economic revitalization needs resulting from Hurricanes Sally and Zeta that were not covered by FEMA PA or HMGP, SBA, or other state resources. Many of the infrastructure needs may be due to lack of funding or because of the limitations placed by FEMA on what can be replaced with Public Assistance funds.

These program funds will be used to build, replace, or improve damaged systems that will help protect life and property and can withstand future disasters and the impacts of climate change. Projects that do so to a greater effect will be evaluated more favorably during the competitive process.

ADECA will require subrecipients to identify and submit projects that address remaining unmet needs. ADECA will require awarded entities to employ adaptable and reliable technologies to guard against premature obsolescence and ensure that the construction or rehabilitation of infrastructure will mitigate future flood risk.

### Meeting Mitigation Requirements

HUD defines mitigation as *“those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.”* This program seeks to increase the resilience and reduce the long-term risk of damage. Favorable evaluation will be given to projects that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

### Operations and Maintenance

In the application for funding, applicants will be required to communicate how they intend to fund, with local dollars, the long-term operations and maintenance of the infrastructure projects. Applications that do not fulfill this requirement will not be considered for funding.

### Housing Program

#### Home Recovery Alabama Program (HRAP)

Grant Type	Grant Number	Proposed Budget	Proposed HUD-Identified MID Budget	Proposed Grantee-Identified MID Budget
Parent	B-21-DZ-01-0001	\$319,762,168.00	\$276,412,168.00	\$43,350,000.00

#### Narratives

- **Program Description**

To assist the most vulnerable and impacted households, the State will directly implement the **Home Recovery Alabama Program (HRAP)** to meet the housing needs identified in the unmet needs assessment. This housing program may include:

1. Repair, Rehabilitation and Reconstruction of existing Owner- and Renter-Occupied housing units,

2. Replacement of storm-damaged Manufactured Housing Units (MHU),
3. Inclusion of needed and appropriate mitigation and resilience measures, including but not limited to elevation, roof reinforcement, or floodproofing.

The State of Alabama will require construction methods, standards, and materials that are quality, durable, energy efficient, sustainable, and mold resistant. All rehabilitation, reconstruction, and new construction will meet all applicable state and local building codes, in addition to any minimum construction standards required under the Federal Notice (87 FR 31647). For instance, for all reconstruction, new construction or substantially improved structures, the State of Alabama will require new construction to meet a Green Building certification standard.

For any non-substantially damaged or improved structures, the State of Alabama will use HUD's CPD Green Building Guidelines and apply them to rehabilitation work to include the use of mold resilient products. Additionally, if older or obsolete products are replaced due to rehabilitation work, the State of Alabama will use products and appliances designated ENERGY STAR, WaterSense or Federal Energy Management Program (FEMP).

All housing activities will be required to, at a minimum, meet applicable and current HUD Housing Quality Standards (HQS). The State of Alabama will define "not suitable for rehabilitation" in the program guidelines.

Hazard mitigation and long-term resilience is a priority for the program; therefore, it may fund any necessary and appropriate mitigative, or resilience measure to that end. In addition to funding physical resilience measures, the program may provide assistance to eligible applicants for the initial purchase of required flood insurance coverage of the property for a duration up to the required occupancy period. Through this type of assistance, the homeowner will remain compliant with Federal flood insurance requirements during the initial occupancy period and provide necessary protection to the property for future disasters. During the period, it is expected that the homeowner will assume responsibility of the flood insurance premium to remain compliant after the initial term.

The State of Alabama will not distribute funds directly to eligible applicants. The intent of the program is to repair or replace damaged housing stock throughout the impacted areas. To that end, the State will directly manage all construction activities funded by this CDBG-DR allocation through the State procured construction contractor(s).

The primary objective of the program is the provision of decent, safe, and sanitary housing in the areas impacted by the disasters. The program is designed to ensure that the housing needs of extremely-low, very-low, low- and moderate-income households, protected classes, and vulnerable populations, including individuals that were made homeless as a result of the disasters, are addressed to the greatest extent feasible, including preventing these populations from experiencing homelessness. The program will address disaster-related damages, unrelated

improvements to bring properties up to HUD Housing Quality Standards (HQS), if needed, and may mitigate potential future damage.

The program will provide grant funding to eligible homeowners and rental property owners in impacted areas to repair, reconstruct, or replace their storm-damaged property in place. Eligible property types may include stick-built homes, mobile home units (MHU), modular homes, and other single-family residence types. Grant funds will be used to pay for the cost of construction activities directly to program-selected general contractors. Applicants with ownership interest in a property who cannot supply the acceptable ownership documents as outlined in the program guidelines due to heirship or probate issues may be referred to Legal Services Alabama for assistance to clear title defects related to probate and/or heirship. No funds will be distributed directly to homeowners.

- **Program Tieback to Disaster/Unmet Needs**

The impacts of Hurricane's Sally and Zeta on homes in the impacted areas are estimated to be nearly \$750 million. The housing stock suffered damage from flooding, rain, and wind, impacting homes from the ground up, leaving homes severely damaged, families living in substandard or unsafe conditions or even displacing them from their communities. These storm impacts affected both Owner-Occupied housing, and Rental-Occupied housing.

- **How Program will Promote Housing for Vulnerable Populations**

Applications for owner-occupied households will be prioritized based on specific income and vulnerability factors, as follows:

1. LMI (80% AMI or less) and
  1. Age-dependent household member(s) AND
  2. Household member(s) with a documented disability
2. LMI (80% AMI or less) and
  1. Age-dependent household member(s) OR
  2. Household member(s) with a documented disability
3. LMI (80% AMI and below)

For the purposes of program priorities, age-dependent households are defined as households including members greater than or equal to 65 years old and/or less than or equal to 17 years old.

- **Program Affordability Period (if applicable)**

All assisted small rental properties (1-4 units) must be restricted to lease only to low- and moderate- income households (those households that do not exceed 80% of the Area Median Income (AMI)) at affordable rent rates during the affordability period of five years. Affordable rents are rents that do not exceed the High HOME Rent Limits adjusted for the number of bedrooms in the unit, and location of the property.

For all assisted owner-occupied units, the applicant must agree to own and occupy the assisted property for 3 years after completion. Exceptions may be made for extenuating circumstances on a case-by-case basis as determined by ADECA.

- **Program Definition of Second Home/Eligibility**

Second homes are not eligible at this time.

- **Program National Objective(s)**

LMI

- **Program Eligibility**

Eligible Areas:

- Mobile, Clarke, Escambia, Baldwin, Dallas, Marengo, Perry, Wilcox, and Washington Counties

**Eligible Activities:**

Section 105(a)(1), 105(a)(3), 105(a)(4), 105(a)(8), 105(a)(11), 105(a)(18), 105(a)(25)

- Single-family owner-occupied rehabilitation, reconstruction, or new construction
- Repair and replacement of manufactured housing units
- Hazard mitigation
- Elevation
- Relocation assistance
- Demolition only
- Public service (e.g., housing counseling, legal counseling, job training, mental health, general health, etc. (fifteen percent (15%) cap))
- Administrative activities associated with recovery of single-family housing stock

**Eligibility Criteria:**

The Home Recovery Alabama Program (HRAP) will offer pathways to assist both owner-occupied and rental housing units. Eligibility criteria for owner or renter pathways will be slightly different. Both are described below.

Owner-Occupied Housing Units:

- The owner must have owned the home at the time of the qualifying disaster and at time of application.

- The owner must have occupied the home as their primary residence at the time of qualifying disaster.
- The home must be in a HUD- or State-identified MID area.
- The home must have unrepaired damaged as a result of the qualifying disaster.
- The structure must be a single-family dwelling, such as a stick-built, modular, or mobile home.
- Property taxes current and mortgage (if applicable) must be in good standing.

Rental Property Applicants:

Property owners do not have to reside in the state at the time of application to be eligible for program funding.

Rental property and applicants must meet all criteria listed below to be eligible for program funding:

- Applicant must not be in bankruptcy or active foreclosure.
- Property taxes current and mortgage (if applicable) in good standing.
- Applicant must have owned the property at the time of the storm and at the time of application. If the property is part of a multi-unit structure, such as a duplex, the applicant must own the entire structure.
- The home must be in a HUD- or State-identified MID area.
- The home must have unrepaired damaged as a result of the qualifying disaster.
- Property must be an eligible structure type; such as a stick-built, modular, or mobile home.
- Property must not be located in a FEMA-designated 100-year floodplain.
- Property must be unoccupied at the time of application.
- At least fifty-one percent (51%) of units must be occupied by certified LMI households if awarded program funds.

- **Program Responsible Entity**

Alabama Department of Economic and Community Affairs (ADECA)

- **Program Maximum Assistance**

- \$350,000
- Exceptions to the maximum award caps may be made on a case-by-case basis. These exceptions may include but are not limited to additional funding necessary to comply with federal accessibility standards or reasonable accommodation for persons with disabilities. Any exceptions will be provided in accordance with the State's adopted exceptions policy.

- **Program Estimated Begin and End Dates**

- “Duration of the Grant”
- March 2023 – March 2027
- **Other Program Details**
- **Program Competitive Application Overview (if applicable)**

NA

- **Program Method of Distribution Description/Overview (if applicable)**

ADECA will administer the Home Recovery Alabama Program directly. Units of local government may partner with ADECA to support outreach activities within their jurisdiction.

- **How Mitigation Set-Aside Activities will Meet Definition of Mitigation? (If Applicable)**
- **How Mitigation Set-Aside Activities will Address Current & Future Risks? (If Applicable)**

**Projection of Expenditures**

Grant Number	Period	Quarterly Projection	Quarterly Actual	Cumulative Projection	Cumulative Actual B-21-DZ-01-0001
B-21-DZ-01-0001	04/01/2023	\$5,500,000.00	\$0.00	\$5,500,000.00	\$0.00
B-21-DZ-01-0001	07/01/2023	\$15,000,000.00	\$25,672.23	\$20,500,000.00	\$25,672.23
B-21-DZ-01-0001	10/01/2023	\$25,000,000.00	\$7,259,314.93	\$45,500,000.00	\$7,284,987.16
B-21-DZ-01-0001	01/01/2024	\$35,000,000.00	\$10,955,202.42	\$80,500,000.00	\$18,240,189.58
B-21-DZ-01-0001	04/01/2024	\$45,000,000.00	\$51,005,165.84	\$125,500,000.00	\$69,245,355.42
B-21-DZ-01-0001	07/01/2024	\$50,000,000.00	\$52,913,546.00	\$175,500,000.00	\$122,158,901.42
B-21-DZ-01-0001	10/01/2024	\$25,000,000.00	\$95,632,292.49	\$200,500,000.00	\$217,791,193.91

Grant Number	Period	Quarterly Projection	Quarterly Actual	Cumulative Projection	Cumulative Actual B-21-DZ-01-0001
B-21-DZ-01-0001	01/01/2025	\$20,000,000.00	\$23,869,688.59	\$220,500,000.00	\$241,660,882.50
B-21-DZ-01-0001	04/01/2025	\$15,000,000.00	\$16,123,979.43	\$235,500,000.00	\$257,784,861.93
B-21-DZ-01-0001	07/01/2025	\$12,500,000.00	\$8,739,543.04	\$248,000,000.00	\$266,524,404.97
B-21-DZ-01-0001	10/01/2025	\$10,000,000.00	\$1,838,649.00	\$258,000,000.00	\$268,363,053.97
B-21-DZ-01-0001	01/01/2026	\$10,500,000.00	\$0.00	\$268,500,000.00	\$268,363,053.97
B-21-DZ-01-0001	04/01/2026	\$5,000,000.00	\$0.00	\$273,500,000.00	\$268,363,053.97
B-21-DZ-01-0001	07/01/2026	\$1,500,000.00	\$0.00	\$275,000,000.00	\$268,363,053.97
B-21-DZ-01-0001	10/01/2026	\$1,000,000.00	\$0.00	\$276,000,000.00	\$268,363,053.97
B-21-DZ-01-0001	01/01/2027	\$1,000,000.00	\$0.00	\$277,000,000.00	\$268,363,053.97
B-21-DZ-01-0001	04/01/2027	\$1,000,000.00	\$0.00	\$278,000,000.00	\$268,363,053.97
B-21-DZ-01-0001	07/01/2027	\$1,000,000.00	\$0.00	\$279,000,000.00	\$268,363,053.97
B-21-DZ-01-0001	10/01/2027	\$1,000,000.00	\$0.00	\$280,000,000.00	\$268,363,053.97
B-21-DZ-01-0001	01/01/2028	\$0.00	\$0.00	\$280,000,000.00	\$268,363,053.97

Grant Number	Period	Quarterly Projection	Quarterly Actual	Cumulative Projection	Cumulative Actual B-21-DZ-01-0001
B-21-DZ-01-0001	04/01/2028	\$0.00	\$0.00	\$280,000,000.00	\$268,363,053.97

### Projection of Outcomes

Period	Performance Measure	Quarterly Projection	Quarterly Actual	Cumulative Projection	Cumulative Actual
04/01/2024	# ELI Households (0-30% AMI)	0	241	0	241
07/01/2024	# ELI Households (0-30% AMI)	0	236	0	477
10/01/2024	# ELI Households (0-30% AMI)	0	105	0	582
01/01/2025	# ELI Households (0-30% AMI)	0	52	0	634
04/01/2025	# ELI Households (0-30% AMI)	0	33	0	667
07/01/2025	# ELI Households (0-30% AMI)	0	17	0	684
04/01/2024	# Owner Households	0	596	0	596
07/01/2024	# Owner Households	0	452	0	1,048
10/01/2024	# Owner Households	0	360	0	1,408
01/01/2025	# Owner Households	0	128	0	1,536
04/01/2025	# Owner Households	0	86	0	1,622
07/01/2025	# Owner Households	0	34	0	1,656
07/01/2024	# Renter Households	0	52	0	52
10/01/2024	# Renter Households	0	16	0	68
01/01/2025	# Renter Households	0	2	0	70
04/01/2025	# Renter Households	0	0	0	70
07/01/2025	# Renter Households	0	16	0	86
04/01/2024	# of Elevated Structures	0	5	0	5
07/01/2024	# of Elevated Structures	0	15	0	20

Period	Performance Measure	Quarterly Projection	Quarterly Actual	Cumulative Projection	Cumulative Actual
10/01/2024	# of Elevated Structures	0	15	0	35
01/01/2025	# of Elevated Structures	0	3	0	38
04/01/2025	# of Elevated Structures	0	10	0	48
04/01/2024	# of Households	0	596	0	596
07/01/2024	# of Households	0	504	0	1,100
10/01/2024	# of Households	0	376	0	1,476
01/01/2025	# of Households	0	130	0	1,606
04/01/2025	# of Households	0	86	0	1,692
07/01/2025	# of Households	0	50	0	1,742
04/01/2024	# of Housing Units	0	298	0	298
07/01/2024	# of Housing Units	0	252	0	550
10/01/2024	# of Housing Units	0	188	0	738
01/01/2025	# of Housing Units	0	65	0	803
04/01/2025	# of Housing Units	0	43	0	846
07/01/2025	# of Housing Units	0	25	0	871
04/01/2023	# of Properties	0	0	0	0
07/01/2023	# of Properties	0	0	0	0
10/01/2023	# of Properties	0	0	0	0
01/01/2024	# of Properties	24	0	24	0
04/01/2024	# of Properties	67	298	91	298
07/01/2024	# of Properties	111	252	202	550
10/01/2024	# of Properties	156	188	358	738
01/01/2025	# of Properties	200	65	558	803
04/01/2025	# of Properties	222	43	780	846
07/01/2025	# of Properties	111	25	891	871
10/01/2025	# of Properties	89	0	980	871
01/01/2026	# of Properties	67	0	1,047	871
04/01/2026	# of Properties	56	0	1,103	871
07/01/2026	# of Properties	44	0	1,147	871
10/01/2026	# of Properties	47	0	1,194	871
01/01/2027	# of Properties	22	0	1,216	871
04/01/2027	# of Properties	7	0	1,223	871
07/01/2027	# of Properties	5	0	1,228	871
10/01/2027	# of Properties	5	0	1,233	871

Period	Performance Measure	Quarterly Projection	Quarterly Actual	Cumulative Projection	Cumulative Actual
01/01/2028	# of Properties	5	0	1,238	871
04/01/2028	# of Properties	5	0	1,243	871
04/01/2024	# of Singlefamily Units	0	298	0	298
07/01/2024	# of Singlefamily Units	0	252	0	550
10/01/2024	# of Singlefamily Units	0	188	0	738
01/01/2025	# of Singlefamily Units	0	65	0	803
04/01/2025	# of Singlefamily Units	0	43	0	846
07/01/2025	# of Singlefamily Units	0	25	0	871
04/01/2024	# of Substantially Rehabilitated Units	0	184	0	184
07/01/2024	# of Substantially Rehabilitated Units	0	359	0	543
10/01/2024	# of Substantially Rehabilitated Units	0	184	0	727
01/01/2025	# of Substantially Rehabilitated Units	0	64	0	791
04/01/2025	# of Substantially Rehabilitated Units	0	43	0	834
07/01/2025	# of Substantially Rehabilitated Units	0	24	0	858

## 5. Appendix

The Appendix section of the CDBG-DR Public Action Plan for Hurricanes Sally and Zeta is unchanged by this Amendment 5 – Substantial.