



ODR DIGEST

Quarterly Newsletter

VOLUME 10: MARCH 2024



CDBG-DR Monitoring Season is Here!

The Office of Disaster Recovery (ODR) and Community Planning and Development field offices monitor our grantees on an annual basis, assessing risk to ensure compliance with statutes and regulations, and helping prevent fraud, waste, and abuse.

Monitoring is a tool HUD uses to support grantees with early detection of inefficiencies and to reinforce the collaboration between HUD and our grantees. Monitoring can result in either a concern (*recommended action*) or a finding (*corrective action*). It also provides an avenue for HUD to identify key areas where grantees may need additional training and support, which can be addressed through technical assistance. These reviews might also include the monitoring of cross-cutting requirements – the focus of our new series of Digests.

Here are some resources to consider as you prepare for your next monitoring!

- **Review your monitoring notification letter from HUD.** The monitoring notification letter identifies the specific programmatic areas HUD will be reviewing.
- **Watch the Advanced Strategies for CDBG-DR Compliance training session from the 2023 CDG-DR Problem Solving Clinic.** This recording provides a high-level overview of HUD's monitoring process to ensure grantees know what to expect during future monitoring visits.
- **View the CPD Monitoring Handbook to find your specific monitoring exhibit(s).** This handbook includes the exhibits used by HUD reviewers to assess grantee compliance with program regulations, applicable federal statutes, grant requirements, and terms and conditions of the grant awards for Community Planning and Development (CPD) programs. CDBG-DR exhibits are mainly located within Chapter 6 of the handbook. Grantees will be informed, prior to monitoring, about which exhibits HUD will use, as outlined in the Monitoring Notification Letter.

What to expect in this issue:

2024 CDBG-DR Problem Solving Clinic

ODR's HUD.GOV Page VS CDBG-DR on the HUD Exchange

Crosscutting Miniseries Overview

Office of Environment and Energy Spotlight



2024 CDBG-DR Problem Solving Clinic St. Louis, MO May 7-9th

Register Today for the 2024 CDBG-DR
Problem Solving Clinic!

CDBG-DR grantees are strongly encouraged to attend our annual Clinic, which provides training on our funding requirements, reviews eligible disaster recovery and mitigation activities, and offers space for in-person problem-solving with other grantees, HUD staff, and subject matter experts.

This event will be hosted in a hybrid format, but only some of the in-person event options will be available to our virtual attendees. Please [view our Clinic site](#) for more information on the upcoming event. Additionally, please feel free to review materials from our past Clinic offerings in our [CDBG-DR Problem Solving Clinic Archives](#).

Theme: Reducing the administrative burden for CDBG-DR grantees.

In Person VS Virtual

In Person:

- all of the 20+ Clinic sessions
- one on one appointments with subject matter experts
- resource rooms
- networking opportunities
- peer to peer exchange

Virtual:

- all of the 20+ Clinic sessions
- one on one appointments with subject matter experts



HUD.gov VS the HUD Exchange

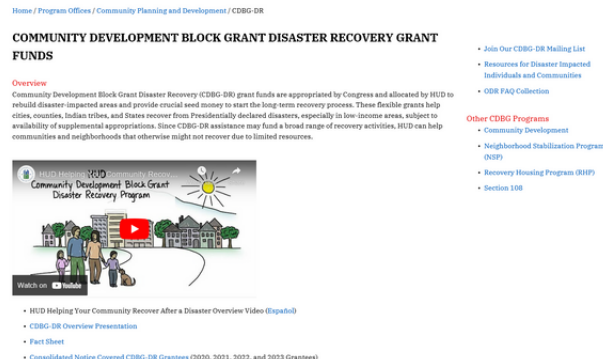
The Office of Disaster Recovery has web presence on two websites, HUD.gov and the HUD Exchange. These websites provide a general overview of the function of the office, CDBG-DR-related Public Laws and Federal Register notices, training resources, news, announcements, and links to grantee websites and contact information.

HUD.gov

HUD.gov is the official government website of the U.S. Department of Housing and Urban Development. The link for ODR's HUD.gov page is: https://www.hud.gov/program_offices/comm_planning/cdbg-dr.

What gets posted on HUD.gov?

- Any document that communicates HUD's statutory, regulatory, or programmatic requirements (e.g. Federal Register Notices)
- Any documents that go through a formal clearance process (e.g. CPD Notice)
- Any data or reports that help with formal submissions to HUD or are required by statute (e.g. Monthly Reports)
- Any document that contains content developed by HUD (e.g. Policy Bulletins)

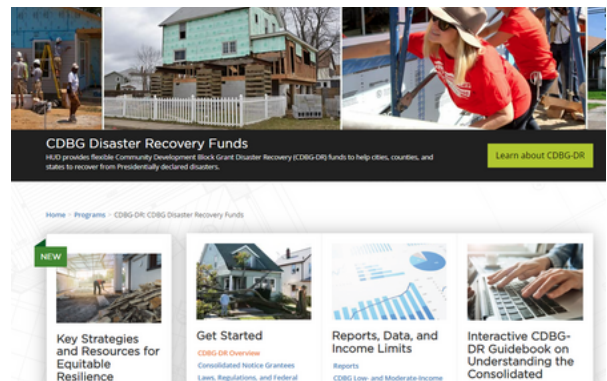


HUD Exchange

HUD Exchange is not the official HUD website, but it serves as a space for HUD Customer Support. The content on the HUD Exchange is not managed by HUD; instead, it is overseen by a HUD-funded technical assistance (TA) provider. The HUD Exchange contains documents that are intended to build capacity, understanding, and skills to aid in the successful implementation of programs. The link for ODR's HUD Exchange page is: <https://www.hudexchange.info/programs/cdbg-dr/>.

What gets posted on the HUD Exchange?

Examples of documents created by TA providers that are posted on the HUD Exchange include manuals, toolkits, guidebooks, training materials, and grantee contact lists, among other things. All TA products must include disclaimers pursuant to Executive Order 13891, requiring that each guidance document clearly state that it does not bind the public, except as authorized by law or as incorporated into a contract.





Crosscutting Regulations Mini Series



ODR is excited to introduce a new miniseries that will be featured in our upcoming ODR Digests, highlighting each of our crosscutting partners and their applicable regulations! One of the key benefits of CDBG-DR funding is the flexibility and alternative requirements that HUD can establish to ensure we're expediting recovery. However, it is critical for grantees to understand that certain requirements, as outlined in each of the appropriations acts, cannot be waived by HUD (i.e., HUD does not have the waiver authority).

All grantees must follow all crosscutting requirements, as applicable, for all CDBG-DR funded activities including but not limited to:

**Environmental
Review**

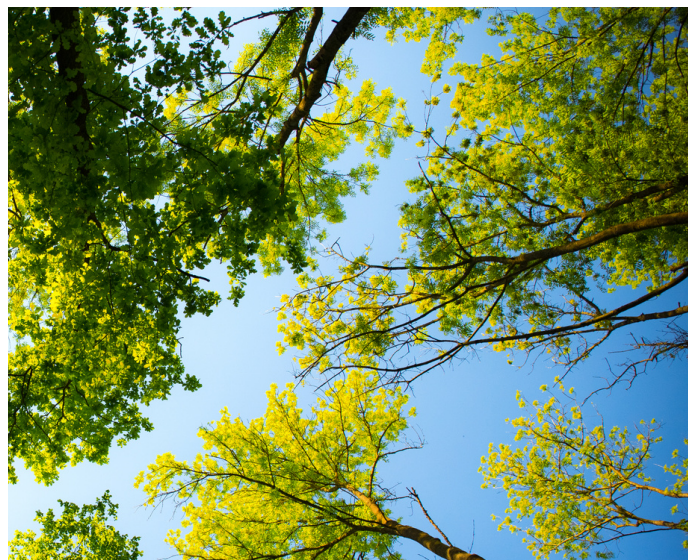
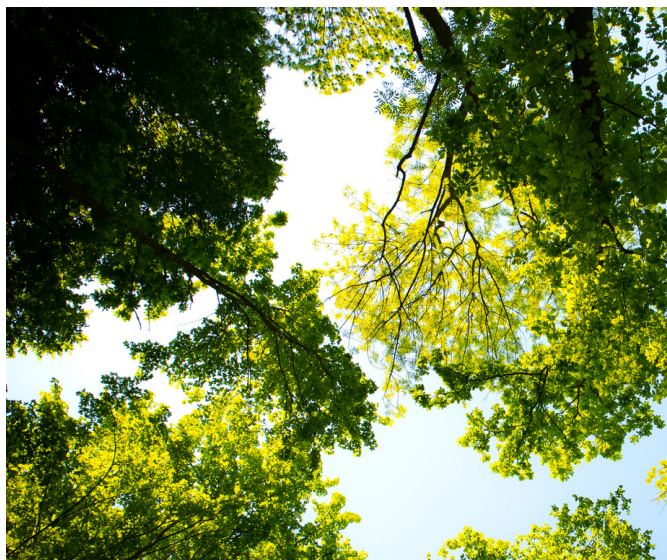
**Davis Bacon and
Related Acts
(DBRA)**

**Fair Housing and
Civil Rights**

**Lead Safe
Housing Rule**

**Uniform
Relocation Act
(URA)**

Our mini series will dive into each of these crosscutting requirements through the lens of other HUD offices, providing training, frequently asked questions (FAQs), and other impactful resources. The design of this content can also serve as a mini overview of the associated requirements.



Office of Environment and Energy Spotlight

The mission of CPD's Office of Environment and Energy (OEE) is to advance and sustain environmental compliance in HUD-assisted projects and programs, foster environmental and cultural stewardship, and support the provision of decent, safe, and high-performing housing. OEE manages the environmental review process across CPD programs and promotes energy-efficient, high-performance buildings.

An environmental review is the process of assessing a project and its potential environmental impacts to determine whether it meets federal, state, and local environmental standards. The environmental review process is required for all HUD-assisted projects to ensure that the proposed project does not negatively impact the surrounding environment and that the property site itself will not have an adverse environmental or health effect on end users. Not every project is subject to the same environmental review level; the extent of this examination varies and is dependent on the project scope. Selecting the appropriate level review for a project will help ensure compliance with the National Environmental Policy Act (NEPA) and other related federal and state environmental laws.

Laws, Regulations, and Federal Register Notices (FRNs)

- [Orientation to Environmental Review](#)
- [Related Federal Laws and Authorities](#)

CPD Notices

- [CPD-23-103: Departmental Policy for Addressing Radon in the Environmental Review Process](#)
- [CPD-15-07: Guidance for Charging Pre-Application Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants](#)
 - *Please note this CPD Notice is only applicable for disasters that occurred between 2012 and 2019.*



Frequently Asked Questions

View the full ODR
FAQ Collection



[ODR publishes FAQs to assist current and future CDBG-DR grantees \(including CDBG-MIT and CDBG-NDR\), the public, and other stakeholders with the planning and use of the funds. This resource covers a range of topics to provide additional clarity, guidance, and support to grantees.](#)

If a grantee does not have an approved CDBG-DR Action Plan, does this prevent them from beginning the environmental review process?

Answer: No, HUD encourages environmental reviews to begin as early in the process as possible and does not prohibit grantees from beginning the environmental review before the CDBG-DR Action Plan is approved. To begin an environmental review, there should be sufficient project detail to adequately assess potential adverse impacts. If an environmental review is developed before a clear scope of work is defined, then additional time and effort may be required to re-evaluate as the project is further defined.

Source: [24 CFR 58.30\(b\)](#)

When is the right time to begin the environmental review process?

Answer: The environmental review process should begin as soon as a recipient determines the projected use of HUD assistance. For activities that do not have a physical impact and are either exempt or categorically excluded not subject to 58.5 (CENST), the environmental review process can begin right when the program or activities are defined. Projects that contain the potential for environmental impact, classified as categorically excluded subject to 58.5 (CEST); environmental assessment (EA); or environmental impact statement (EIS), can begin when there is sufficient project detail to adequately assess potential adverse impacts. Projects should have no more than 30% design to allow for adequate alternatives to be explored and mitigation measures to be incorporated into the design, as identified in the environmental review record (ERR).

Source: [24 CFR 58.30](#) and [24 CFR 58.18](#)

Did you know that ODR and OEE worked to publish 16 new FAQs to the [ODR FAQ Collection](#) for this volume of the digest?

Make sure to check them all out, and please feel free to reach out to your [Regional Environment Officer or Field Environment Officer](#) with any additional environmental review focused questions!



What activities can be completed before a project receives an environmental review approval/certification?

Answer: Every activity requires an environmental review record (ERR). However, activities that meet the criterion of 24 CFR 58.35 (Exempt) and 24 CFR 58.35(b) (Categorically excluded not subject to 24 CFR §58.5 (CENST)) can proceed without HUD approval once 58.6 compliance is complete and the review has been certified and documented in the ERR. Any proposed actions or undertakings with HUD or non-HUD funds requiring a Categorically excluded subject to 24 CFR §58.5 (CEST), environmental assessment (EA) or environmental impact statement (EIS) cannot proceed without an Authorization to Use Grant Funds (AUGF).

Source: [24 CFR 58.34\(b\)](#); [24 CFR 58.35\(b\)](#); [24 CFR 58.43](#); [24 CFR 58 Subpart H – Release of Funds for Particular Projects](#)

What constitutes a Choice Limiting Action (CLA)?

Answer: Choice limiting action (CLA) is a term commonly used to describe an action that creates a violation of 24 CFR 58.22(a). In accordance with the National Environmental Policy Act (NEPA), prior to approving a proposal, federal agencies must objectively consider the environmental impact of the proposed action. 24 CFR 58.22(a) establishes limitations on activities that violate the NEPA requirement of an objective environmental review decision-making process or that limit the ability of the federal agency to reject a project or choose a preferred alternative. A CLA is an action that commits HUD assistance, non-HUD funds, or undertakes project activities prior to environmental clearance. An action is choice limiting if it occurs after a project is federalized and prior to the project obtaining environmental clearance.

Source: [24 CFR 58.22\(a\)](#)

Does expending non-federal funds on a project before receiving an Authority to Use Grant Funds (AUGF), HUD Form 7015.16, constitute a Choice Limiting Action (CLA)?

Answer: The determination of a CLA would be dependent on when the federal nexus was established and when the action took place. The federal nexus is the action that creates a legal requirement for the recipient to comply with NEPA and 24 CFR Part 58. CLAs, including commitments of HUD and non-HUD funds, are prohibited after the date the federal nexus is created.

Using a grantee administered Disaster Recovery Homeowner Rehabilitation Program as an example, the federal nexus occurs when the homeowner applies to participate in the program. Any work completed on the property prior to the submission of the application (i.e., the federal nexus) would not be considered a CLA. Any work done after the submission of the application and before the environmental review is fully complete would be considered a CLA. To prevent a CLA, the homeowner will have to momentarily pause any scheduled work when submitting the application for the program and can resume work after the environmental review is complete. *Note: Actions or expenditures of non-HUD funds subject to contracts executed prior to the date of the federal nexus may continue, with the understanding that HUD may not approve the project and depending on program requirements prior spent funds may not be eligible for reimbursement.*

Source: [24 CFR 58.22\(a\)](#)



Resource Spotlight

CLICK EACH ITEM BELOW



| Title | Description |
|---|--|
| <u>National Climate Assessment</u> (November 2023) | The Fifth National Climate Assessment is the US Government's preeminent report on climate change impacts, risks, and responses. It is a congressionally mandated interagency effort that provides the scientific foundation to support informed decision-making across the United States. |
| <u>Designing for Natural Hazards Series</u> (Volumes 1-5). (May 2023) | A set of practical, actionable guidelines to assist builders and developers in designing and constructing residential buildings, neighborhoods, and accessory structures in a manner that could improve residential resilience to natural hazards and integrate resiliency throughout the community. |
| <u>HUD Community Resilience Toolkit</u> (January 2023) | A user-friendly guide to help recipients of HUD Community Planning and Development (CPD) funds identify opportunities to use their CPD dollars to mitigate the impacts of natural related hazards. The toolkit is divided into 6 separate sections, that provides an overview of each natural hazard as well as suggestions for different mitigation techniques that are eligible under different CPD programs. Additionally, the toolkit has a financing section with other funding opportunities for resilience projects. The toolkit also includes a helpful infographic highlighting how different natural hazard risks can affect communities and what a resilient community could look like. |
| <u>Resilient Building Codes Toolkit</u> (June 2022) | The toolkit brings transparency and clarity to building codes, especially with respect to resilience. The main objective of this work is to create a platform that allows all relevant stakeholders to navigate an otherwise challenging building code environment and to offer resources for Community Development Block Grant Disaster Recovery (CDBG-DR) and CDBG Mitigation (MIT) grantees to incorporate resilient building codes into their disaster recovery and mitigation efforts. Ultimately, the goal is to enhance resilience in the built environment, specifically with respect to housing and other critical building assets. |

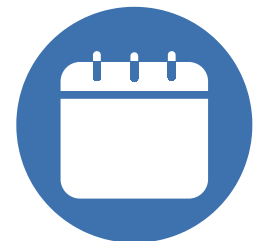


| Title | Description |
|--|--|
| <u>Sea Level Rise Technical Report (February 2022)</u> | <p>The Sea Level Rise Technical Report provides the most up-to-date rise projections available for all U.S. states and territories; decision-makers will look to it for information. This multi-agency effort, representing the first update since 2017, offers projections out to the year 2150 and information to help communities assess potential changes in average tide heights and height-specific threshold frequencies as they strive to adapt to sea level rise.</p> |
| <u>HEROS "How To" Videos (September 2017)</u> | <p>This series of training provide a review of the following topics:</p> <ul style="list-style-type: none"> • Introduction to Heros • Performing an Environmental Review in HEROS • Performing a Tiered Environmental Review in HEROS • HEROS Administration and Special User Roles |
| <u>Resilience Analysis and Planning Tool (RAPT)</u> | <p>The Resilience Analysis and Planning Tool gives everyone access to powerful data and GIS mapping that can help everyone understand their community. RAPT includes over 100 preloaded layers including community resilience indicators from peer-reviewed research, the most current census demographic data, infrastructure data, and data on weather, hazards, and risk. RAPT also includes easy to use analysis tools, the ability to add in data from other sources, and print and download functions.</p> |
| <u>US Climate Resilience Toolkit</u> | <p>The U.S. Climate Resilience Toolkit is a website designed to help people find and use tools, information, and subject matter expertise to build climate resilience. The Toolkit offers information from all across the U.S. federal government in one easy-to-use location.</p> |

Participate in the Community Disaster Preparedness Webinar Series (February- May 2024)

This series supports HUD grantees, stakeholders, and partners to more efficiently address disaster recovery, incorporate community resilience, and process environmental reviews. The series includes the following topics:

- Unified Federal Environmental and Historic Preservation Review (UFR) process
- Tiered Environmental Reviews for Disaster Recovery Programs
- Extreme Heat and Cold: Creating a More Resilient Community
- Historic Properties in Flood Zones
- Environmental Review Adoption for Expedited Recovery

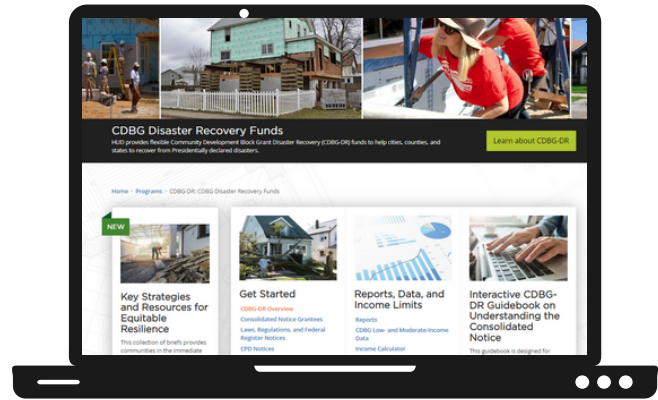


[Find up to date information on the webinar series here!](#)



Training Spotlight

CLICK EACH ITEM BELOW



| Title | Description |
|--|--|
| <p><u>Cross-Cutting Requirements Spotlight: Environmental Review (April 2023)</u></p> | <p>This session described Environmental Review requirements for CDBG-DR grantees as well as tips and resources to ensure compliance.</p> |
| <p><u>Building Codes and Mitigation Measures (April 2023)</u></p> | <p>This session walked participants through the Resilient Building Codes Toolkit. In addition, participants learned how different grantees have incorporated mitigation into the scope of work for construction projects. The session described different strategies of meeting strong state and local code requirements or using Community Development Block Grant Disaster Recovery (CDBG-DR) funds to create standards more resilient than existing code.</p> |
| <p><u>Resilience Building Codes Webinar Series (April-May 2022)</u></p> | <p>In this webinar series, CDBG-DR and CDBG-MIT grantee staff learned how upgrading local building codes to reflect resilient construction strategies can position them to better withstand the threats of natural hazards and severe weather events. Participants learned why resilient building codes matter, how they can build the business case for upgrading their codes, and dive into the various strategies for upgrading codes.</p> |
| <p><u>Environmental Review and HEROS: Best Practices for Disaster Recovery Grantees (March 2022)</u></p> | <p>This session provided a brief overview of environmental review requirements and best practices for compliance following a disaster. Participants also learned about the HUD Environmental Review Online System (HEROS) and how to document environmental reviews for Community Development Block Grant-Disaster Recovery (CDBG-DR) funded projects within this system.</p> |
| <p><u>HEROS Overview Training for CDBG-DR Grantees (December 2021)</u></p> | <p>This session provides an overview of HEROS, reviews user roles, and provides tips and tricks for using the system.</p> |



Stay Engaged

Thanks for reading this edition of the ODR Digest! If you have any questions, feel free to reach out directly by emailing the ODR's Policy Division, ODRPolicyDivision@hud.gov.

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