NYC Recovery | Community Development Block Grant Disaster Recovery

Public Hearing
Proposed Action Plan Amendment 5

CDBG-DR Public Hearing: Hearing Format

1) Presentation on NYC's proposed Action Plan Amendment 5 released December 27, 2013 ("Proposed Action Plan")

2) Opportunities for you to leave your comments
   - At the conclusion of the presentation please proceed to the designated tables to record your comments on the Proposed Action Plan. There are tables for Housing, Business, Infrastructure & Other City Services, Resilience, and General comments.
   - There is also a separate area to inquire about the status of any program applications.
   - Comment cards are available to for you to make written comments at any point during or after the presentation.
   - You can also call 311, send mail, or visit www.nyc.gov/cdbg to submit a public comment on the Action Plan, through Sunday March 2 at 11:59PM.
   - Public comments will be compiled, reviewed, and the Action Plan may be revised subject to comments. The revised Action Plan will be submitted to HUD for approval and then posted on the City's CDBG-DR website (www.nyc.gov/cdbg).

Proposed Action Plan

CDBG-DR Public Hearing: Action Plan

- In order to receive Community Development Block Grant – Disaster Recovery (CDBG-DR) funds from the U.S. Department of Housing and Urban Development (HUD), the City must create an Action Plan. The Action Plan needs to identify how the City will use the funding to help New Yorkers rebuild their homes, businesses, and communities.

- The City's Action Plan includes four program areas:
  - Housing
  - Business
  - Infrastructure and Other City Services
  - Resilience

- The City can – and will – amend the Action Plan again

CDBG-DR Public Hearing: Action Plan

Allocation 1

- March 5, 2013 – Initial allocation of $1.773 billion of CDBG-DR funds from HUD
- May 7, 2013 – Action Plan approved by HUD
- November 25, 2013 – Most recent version (Amendment 4) of the City's Action Plan approved

Allocation 2

- November 18, 2013 – Second allocation of $1.447 billion from HUD
- December 27, 2013 – Proposed Action Plan published
- March 2, 2014 – Public comment period on the Proposed Action Plan ends
- March 24, 2013 – City must submit a final Action Plan Amendment to HUD

Allocation 3

- The City is working to maximize its share of the remaining CDBG-DR funding.

CDBG-DR Public Hearing: Proposed Action Plan: Overview

- The Proposed Action Plan assigns the second allocation of CDBG-DR funds of $1.447 billion to various recovery activities and proposes revisions and updates to programs covered under the initial $1.773 billion of CDBG-DR funding.

- Most of this second allocation of funding is being programmed to housing and infrastructure recovery. Substantial additions include:
  - $847 million for the Build it Back program
  - $200 million for repairs and resiliency efforts for New York City Housing Authority facilities, and
  - $495 million for City activities as a result of Hurricane Sandy, including rebuilding infrastructure such as roads, hospitals, and beaches, and reimbursing the City for services provided during and after the storm

- Other changes contained in the Proposed Action Plan include:
  - Revision to the Citizen Participation Plan to allow 30 day comment period and public hearings
  - Updates to total needs as a result of Sandy
  - Reclassification of $60 million of long-term resiliency projects for businesses and commercial buildings as Business activities
  - Reallocation of $100 million from Business programs to Housing programs

CDBG-DR Public Hearing: Proposed Action Plan

In the Proposed Action Plan, the City proposes to allocate the entire grant award of $3.22 billion as outlined below:

$ in millions

Program Area	First Allocation of Funding	Second Allocation of Funding	Total Funding
Housing	540	847	**1,387**
Public Housing	108	200	**308**
Business	293	(27)	**266**
Infrastructure and Other City Services	360	495	**855**
Resilience	294	(60)	**234**
Planning/Admin	178	(8)	**170**
Total	**1,773**	**1,447**	**3,220**

Housing

CDBG-DR Public Hearing: Housing

Housing recovery options to help those affected by Sandy:

Build it Back Single Family Program will assist owners of properties with 1-4 units

- Pathways : Repair, Repair with Elevation, Rebuild, Reimbursement, Acquisition for Redevelopment

Build it Back Multi-Family Program will assist owners of properties with 5+ apartments

- Rental properties, condominiums and cooperative buildings are all potentially eligible
- Rehabilitate damaged buildings and identify opportunities to increase resiliency

Temporary Disaster Assistance Program will assist very low-income renter households

- Rental subsidy is limited to two years and must be used within New York City

The programs focus on low- and moderate-income (LMI) populations and those with the most severe damage.

CDBG-DR Public Hearing: Housing

1) **The Proposed Action Plan increases overall funding for housing programs by $1.047 billion.**

- $847 million to Build it Back
- $200 million to Public Housing

2) **The Proposed Action Plan clarifies the definition of 1-4 unit homes as single family and 5 or more units as multi-family.**

- Technical adjustment to align funding with these definitions

3) **The Proposed Action Plan provides more specific guidance on**:

- Reimbursements
- Acquisition for Redevelopment
- Temporary Disaster Assistance Program (TDAP) – rental assistance for displaced and relocated low-income tenants

CDBG-DR Public Hearing: Housing

First time **homeowner reimbursements** included in a CDBG-DR program.

Federal government approved with caveats:

- Limited to work completed prior to 10/29/13 - the 1 year anniversary of Sandy
- Eligible reimbursable work must be HUD compliant

Available funding allows **partial reimbursements** for:

- Owner-occupied homes with most financial need (defined as low-income)

AND

- Who have completed all of their repair work

OR

- Who are in the "Repair Only" category

Partial reimbursements = 60% of calculated out-of-pocket expenses.

Current allocation will fund Priority 1 reimbursements. Remaining reimbursements will will be made as funding permits.

CDBG-DR Public Hearing: Housing

We are working with New York State housing agencies (HCR, HTFC) to administer/fund the **NYS Acquisition for Redevelopment Program**

Eligible owners of Sandy affected properties are able to sell their property to New York State.

- Applicants come through Build it Back
- Eligible applicants may elect to pursue Acquisition for Redevelopment
- Applicant's file will be referred to New York State
- NYS will do an additional review
- If applicant is eligible, NYS will provide acquisition offer
- Offer will reflect deduction of other benefits received

To be eligible, home must be:

- One or two-family structure
- Serve as a primary residence
- "Substantially Damaged" – amount of damage is greater than 50% of the pre-storm value of the structure (using Department of Finance Fair Market Value or Build it Back program appraisal)
- Located in the Special Flood Hazard Area

*NOTE: The New York State Acquisition program **may not be available** to all homeowners.*

CDBG-DR Public Hearing: Housing

Goal of **Temporary Disaster Assistance Program** (TDAP) is to prevent homelessness among low-income households that were displaced by Sandy and who face significant barriers to relocation. This program provides rental housing assistance to households in need.

Priority was initially given to households that meet at least one of the following criteria:

- Residing in transitional housing placements (hotels, shelters) due to the storm
- Expiring FEMA rental assistance
- Registered through the HPD Housing Portal, but not offered placements

Amendment 5 removes the following priority:

Households with non-conventional pre-storm housing (e.g. illegal units, doubled-up, rooming houses)

Eligibility for TDAP:

- Limited to displaced very low-income households (less than 50% of Area Median Income)

Amendment 5 adds the following eligibility criteria:

- Very low-income households which relocated following Sandy but which have leases expiring within 4 months of applying to the program OR
- Which now pay more than 40% of income in rent

CDBG-DR Public Hearing: New York City Public Housing Authority

Resilience and Rehabilitation of Damaged Buildings: Public Housing ($308 million)

Overview

CDBG-DR funds will be used to repair damaged public housing buildings, provide emergency generation and improve NYCHA's response time to future storms.

Specifically:

- **Emergency Generation:** To improve the resiliency by adding permanent emergency generators at the most vulnerable NYCHA buildings. Permanent emergency generators do not currently exist; these generators could provide back-up power to 95 sites, covering 172,691 households.

- **Basic resiliency measures**: Initiatives may include the installation of new boilers in newly built elevated structures, elevation of mechanical and electrical equipment above the floodplain, and the installation of flood gates and pumps.

CDBG-DR Public Hearing: New York City Public Housing Authority

- **Advanced restoration measures**: These initiatives may include combined boiler plants or co-generation and façade improvements that will provide thermal efficiency and reduce heating load.

- **Programmatic** – Elements of work included in this category include the procurement of emergency response equipment (portable generators, high power pumps, etc.), the implementation of an Incident Command Structure (ICS) at NYCHA, providing for emergency IT backup systems and Continuity of Operations efforts, an improved Emergency Operation Center, etc.

Breakdown of funds:

1st Allocation – $108 million: Emergency Generators
2nd Allocation – $200 million: Basic Resiliency & Advanced Restoration Measures
Pending funding availability: Programmatic and some advanced restoration.

Business

CDBG-DR Public Hearing: Business

Overview

The purpose of the Business Programs is to address the physical and economic impact of Hurricane Sandy on businesses and communities impacted by the storm

- The goals of the Business Programs are to:
  - Help small-medium size enterprises (SMEs) recover and rebuild resiliently
  - Anchor new or existing industry and foster long-term economic growth in impacted areas
  - Protect businesses in vulnerable floodplain areas
  - Improve building and infrastructure resiliency
- The Business Programs include 4 initiatives:
  - Business Recovery Loan and Grant Program
  - RISE : NYC – Resiliency Innovations for a Stronger Economy
  - Business Resiliency Investment Program
  - Neighborhood Game Changer Investment Competition
- Key Changes in the Substantial Amendment are to:
  - Reallocate funding from Business programs -- $100 million across four Business sub-programs ($87 million Program and $13 million in Administration) -- to Housing
  - Increases Business programs by $60 million (Building Resilience Investment Program), which is reallocated from Resilience (Building Mitigation Incentive Program)

CDBG-DR Public Hearing: Business

Business Recovery Loan and Grant Program

Overview	• Provides loans (up to $150,000) and matching grants (up to $60,000) to storm-impacted small businesses for working capital, moveable equipment, and inventory needs • Larger loans (up to $1 million) and grants (up to $100,000) available in cases of *extraordinary need*
Status	• NYC Business Solutions Centers are still accepting applications • City is continuing outreach efforts • Program is currently developing intake and underwriting partnerships with Community Development Finance Institutions (CDFIs)
Amendment Changes	• Funding re-calibrated from $72 million to $42 million based on application volume • Will monitor program to evaluate need for future funding re-allocations
For More Information	• Visit www.nyc.gov/nycbusiness to find out more information

CDBG-DR Public Hearing: Business

RISE : NYC – Resiliency Innovations for a Stronger Economy

(formerly the Infrastructure and Building Resiliency Technology Competition)

Overview	• RISE : NYC will help small businesses by funding promising and cost-effective innovations to improve the resiliency of infrastructure and building systems
Status	• Program launched on January 21, 2014 with Stage 1 applications due by March 14, 2014 • Interested applicants can apply at www.rise-nyc.com • Manufacturers/developers of technologies and innovations, property owners or managers interested in receiving technologies, or project teams combining these groups can apply • Finalists from Stage 1 will move on to later program stages
Amendment Changes	• Funding changed from $41 million to $30 million to be consistent with the scale of projects anticipated to be funded
For More Information	• Visit the program website at www.rise-nyc.com

CDBG-DR Public Hearing: Business

Business Resiliency Investment Program

Overview	• Provides funds to tenants and owners of commercial space to improve their resiliency to severe weather
Status	• Currently completing program design and developing an office that will assist in implementing the program • Expect to launch later this year
Amendment Changes	• Combined with Building Mitigation Incentive Program funds for commercial space ($60 million) given program similarities • Changed overall funding from $150 million to $110 million based on projected administrative savings • Will monitor program to evaluate need for future re-allocation of funds • Revised Business Resiliency Investment Program description to better define program eligibility, objectives, and priorities
For More Information	• Visit http://www.nycedc.com/service/programs-business-recovery-resiliency • E-mail ResiliencyInvest@nycedc.com

CDBG-DR Public Hearing: Business

Neighborhood Game Changer Investment Competition

Overview	• Program to identify and fund transformational investments in each of 5 storm Impact Areas:
	  • Brooklyn-Queens Waterfront,
	  • East and South Shores of Staten Island,
	  • Southern Brooklyn,
	  • Southern Manhattan, and
	  • South Queens

Status	• Request for Proposals (RFP) released on June 25, 2013 and responses received on September 16, 2013 • Proposals evaluated by a City Evaluation Committee with input from an Advisory Panel of citywide and local representatives • Proposals are currently being evaluated
Amendment Changes	• Funding changed from $90 million to $84 million to reflect the needs outlined in the proposals received following the RFP process • Will monitor to evaluate need for future re-allocation of funds
For More Information	• Visit http://www.nycedc.com/service/programs-business-recovery-resiliency

Infrastructure and Other City Services (IOCS)

CDBG-DR Public Hearing: Infrastructure and Other City Services

Overview

The purpose of the program is to reimburse funds for the city's response to Hurricane Sandy:

- Activities funded through the Infrastructure and Other City Services program include:
  - Rebuilding, repairing, upgrading and replacing damaged City-owned facilities including schools, hospitals, roads, beaches, water and sewer systems
  - Providing emergency repairs and ensuring public health safety after the storm, including the removal of storm-related debris
- CDBG-DR funds used as local match for FEMA
  - FEMA provides a 90% of total costs, CDBG-DR will pay the remaining 10%
- This program provides citywide and local community benefits with a focus on low- and moderate-income areas, defined as where the majority of residents have low or moderate incomes.

CDBG-DR Public Hearing: Infrastructure and Other City Services

IOCS incorporates program activities in the areas of:

- Public Services
  - A wide range of government services, including public safety and health services during and after the storm
- Emergency Demolition
- Debris Removal/Clearance
- Code Enforcement
- Interim Assistance
  - Rapid Repair emergency sheltering program – CDBG-DR covers portion of costs not covered by FEMA
- Rehabilitation/Reconstruction of Public Facilities
  - Hospitals and Health Facilities
  - Schools
  - Police Stations
  - Fire Houses
  - Roads and Bridges
  - Parks and Beaches
  - Water and Sewer Systems

CDBG-DR Public Hearing: Infrastructure and Other City Services

Proposed Action Plan – Covered Projects

HUD requirements for the second allocation include "Covered Projects" (infrastructure projects with a combined total cost of at least $50 million total funding including at least $10 million of CDBG-DR funds) must be detailed with descriptions of:

- Project scope and total estimated project cost
- How the project addresses the unmet needs assessment and a comprehensive risk analysis
- How a transparent and inclusive decision process was used for selection of project
- Long-term efficacy and fiscal sustainability of project
- How the project is an environmentally sustainable and innovative investment

The Proposed Action Plan identifies new major infrastructure projects ("Covered Projects")

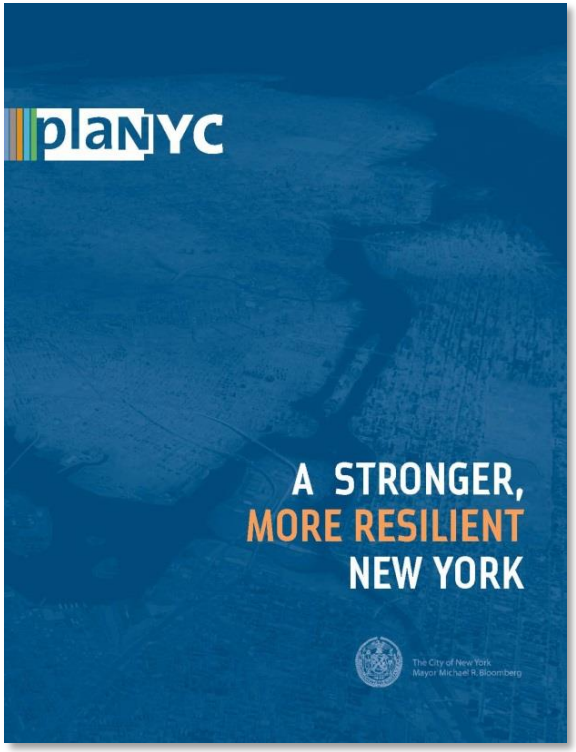
- Health and Hospitals Corporation
- Parks Beaches
- Rikers Island
- New York Aquarium
- Roads and Bridges

Including Public Housing and Resilience, there are 14 Covered Projects across these categories

Resilience

CDBG-DR Public Hearing: Resilience

The City has a plan to build resiliency and make all New Yorkers safer by way of a multi-layered approach that is ambitious, achievable, and based on the best available science



Strengthen coastal defenses

- Complete existing United States Army Corps of Engineers coastal risk reduction projects
- Expand natural protections and other innovative measures

Upgrade buildings

- Amend the building code to strengthen new construction
- Incentivize investments in existing buildings

Protect infrastructure and services

- Harden critical assets and supply chains
- Expand natural infrastructure systems

Make neighborhoods safer and more vibrant

- Advocate for flood insurance affordability
- Address underlying challenges during the rebuilding process

The City's 257 initiatives comprise **a comprehensive plan** to reduce the risk of extreme weather and climate change. This innovative plan includes funding, an implementation schedule, and **can be achieved over the next ten years**.

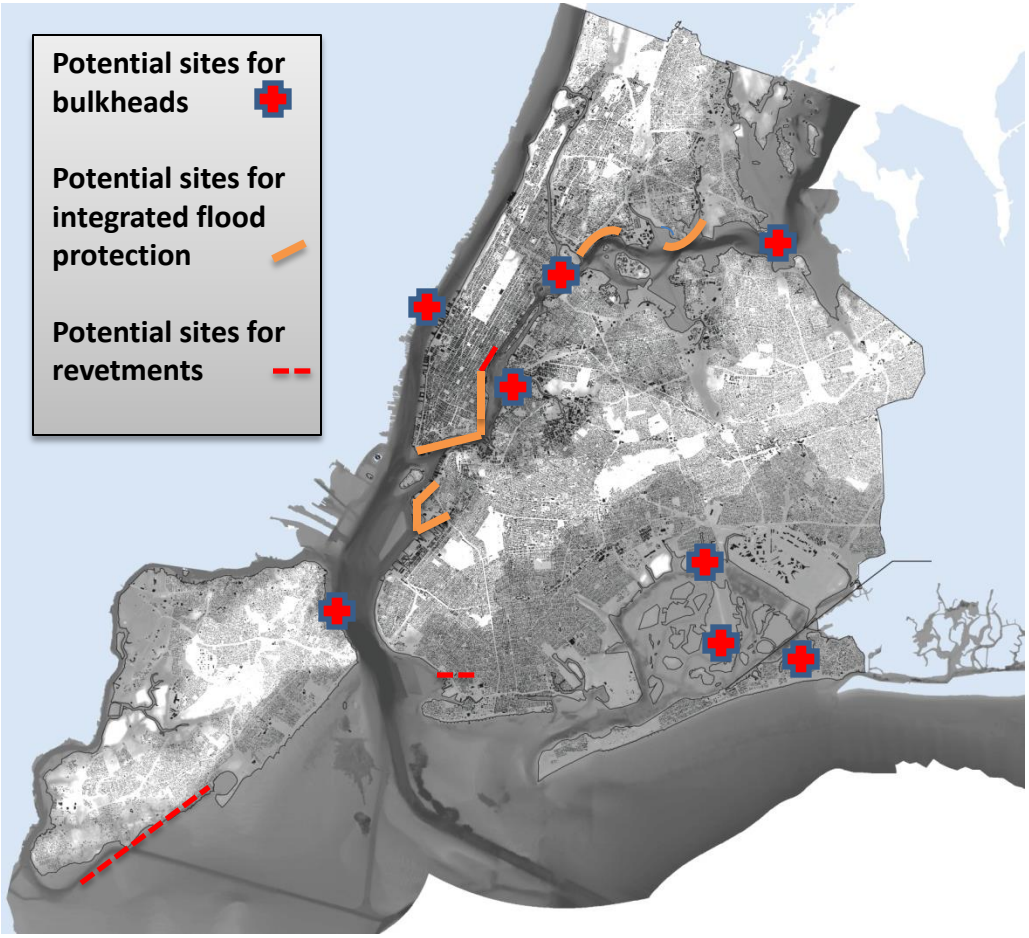
CDBG-DR Public Hearing: Resilience

The Resiliency Program invests in coastal protection measures and building resiliency. CDBG-DR funds are also being allocated to resiliency investments across all sub-programs and include funding to support social and economic resiliency.

Program	Funding ($ in millions)
Coastal Protection	
Bulkheads	45
Revetments	65
Integrated Flood Protection System at Hospital Row	60
Competition for Integrated Flood System	5
Building Resiliency	
Housing Resilience	60
Commercial Resilience (listed under Business)	60
Planning & Admin	26

Visit **nyc.gov/resiliency** to see the City's full resiliency plan
"A Stronger, More Resilient New York"

CDBG-DR Public Hearing: Resilience



Coastal Protection Program

- **International competition** for an integrated flood protection system at **5** sites
- **Integrated flood protection system** along Hospital Row in Manhattan, to align with flood protection systems at VA, NYU
- **Install Armor Stone Revetments** to protect against erosion of beaches and bluffs
- **Repair, Install, and Raise Bulkheads** to minimize the risk of tidal flooding
- **Proposed Action Plan** includes a NYC/ NYS partnership to construct a flood protection system in Red Hook

Coastal protection investments will be made along Hospital Row, the South Shore of Staten Island, & Coney Island Creek in Southern Brooklyn.

CDBG-DR Public Hearing: Resilience

Building Resiliency

The current approved Action Plan allocates $**120M to the Resiliency Program for Building Resiliency**

In this amendment, the City proposes **to divide the $120M across two programs**

- **$60M** to NYC Dept. of Housing, Preservation, and Development for **Multifamily Housing Resiliency**
- **$60M** to NYC Economic Development Corporation for **Business Resiliency**

$60M for Business Resiliency administered as part of the Building Resiliency Investment Program.

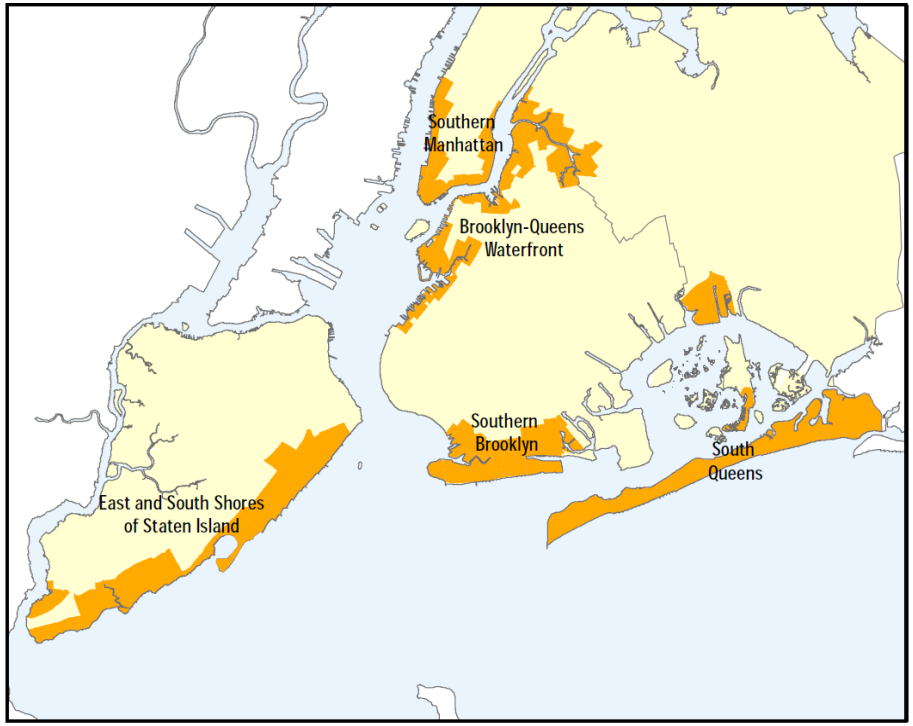
- The proposed change will reduce the administrative burden for the City

The Building Resiliency Program will offer grants and/or loans to owners of flood-impacted and vulnerable properties for the incremental cost of dry-floodproofing, elevating mechanical systems, and implementing other mitigation measures.

CDBG-DR Public Hearing: Resilience

Planning & administration funds associated with Resiliency Program will support social and economic resiliency.

Sandy-Impacted Communities



- Resilient Neighborhood Studies
- Studies to address affordability challenges in the National Flood Insurance Program, promote partial credit for partial mitigation, and educate consumers
- Analyze the regional food supply distribution system to address vulnerabilities
- Upgrade waterfront inspection protocols and evaluate coastal sites for additional surge barriers

Conclusion

CDBG-DR Public Hearing: Contact Information

To stay updated on the City's Action Plan and the NYC Community Development Block Grant - Disaster Recovery program please visit: www.nyc.gov/cdbg

- Read and comment on the Proposed Action Plan
- Read the approved Action Plan
- Subscribe to Action Plan related announcements
- Leave general comments and questions for the CDBG-DR program

To stay up to date on the City's effort to help New Yorkers recover from Hurricane Sandy please visit: www.nyc.gov/recovery

CDBG-DR Public Hearing: Next Steps

- Based on public comments, including from this public hearing, the City may make changes to the Proposed Action Plan before submitting it to HUD.

- The City has until March 24, 2014, to submit its Action Plan to HUD. HUD has 60 days to approve the Action Plan. Once approved, the City can begin spending its second allocation of CDBG-DR funding.

- The City can – and will – make amendments to the Action Plan again. Substantial amendments involve at least one public hearing. Technical amendments do not.

- The City will continue to pursue additional funding for recovery and resilience efforts, including from a potential third allocation of CDBG-DR funds.

CDBG-DR Public Hearing: Public Comments

- Please proceed to the designated tables to record your comments on the Proposed Action Plan. There are tables for Housing, Business, Infrastructure & Other City Services, Resilience, and General comments.

- Comment cards are available for you to make written comments on the Action Plan

- There is also a separate area to inquire about the status of your Build It Back application or Business Recovery Loan and Grant Program application