

KCDBG DR Certification Training

- Welcome from DLG
- DLG Staff Introductions
- Your trainers:
 - Leslie Leager
 - Les Warner
 - Onye Ibeh
 - Posey O'Reilly



- The exam:
 - Must get 70% correct to pass
 - Open book (and you can use your own notes)
 - Variety of question types
 - Exam results provided within approximately 90 days
 - Can review your test after all exams are scored at DLG offices upon appointment



CDBG-DR Funding 101



Overview



In 2021, flooding and tornados resulted in Major Disaster Declarations, which qualified the state of Kentucky to receive long-term disaster recovery funding.



In September 2021, Congress appropriated \$5 billion in Community Development Block Grant Disaster Recovery funds (CDBG-DR) for disasters that occurred in both 2020 and 2021.



In May 2022, HUD allocated funds for those who experienced disasters in 2021. Kentucky initially received \$74,953,000 – second allocation of \$48,983,000 = \$123,936,000.



CDBG-DR funds will aid Kentucky's citizens in recovery from these devastating storms and strengthen impacted communities to help prevent future damage to homes, businesses, schools, and public infrastructure.



\$123,936,000
Allocated to Kentucky

What are CDBG-DR Funds?



CDBG-DR funds are used to help the most impacted and distressed areas recover.

- CDBG-DR funding can be used for long-term recovery projects such as housing, economic revitalization and restoring infrastructure.
- It is considered last resort funding and is used to address unmet or mitigation needs that other federal programs haven't been able to meet.
- A portion of the funds will be made available to address mitigation needs to make impacted communities more resilient to current and future risks, which can include infrastructure, planning, housing, and economic revitalization activities.

Process to Receive CDBG-DR Funds

To receive CDBG-DR funds, the state was required to complete several tasks. This includes conducting an Unmet and Mitigation Needs Assessment, developing an Action Plan that identifies how the state will utilize CDBG-DR funds to address unmet disaster recovery and mitigation needs.



Unmet Needs Analysis



Mitigation Needs Assessment



Action Plan

- ***The process must be completed within 120 days upon issuance of the Federal Register Notice.***

Unmet Needs Analysis



The state conducted an analysis of the impact the disaster had and the resulting needs that had not been addressed through other funding sources.





For the first time ever, Congress has included mitigation funds with CDBG-DR funding to help communities be better prepared to withstand future disasters.

This is good news for Kentucky, but it also means the state must assess its risks, working with local jurisdictions and communities across the impacted areas.

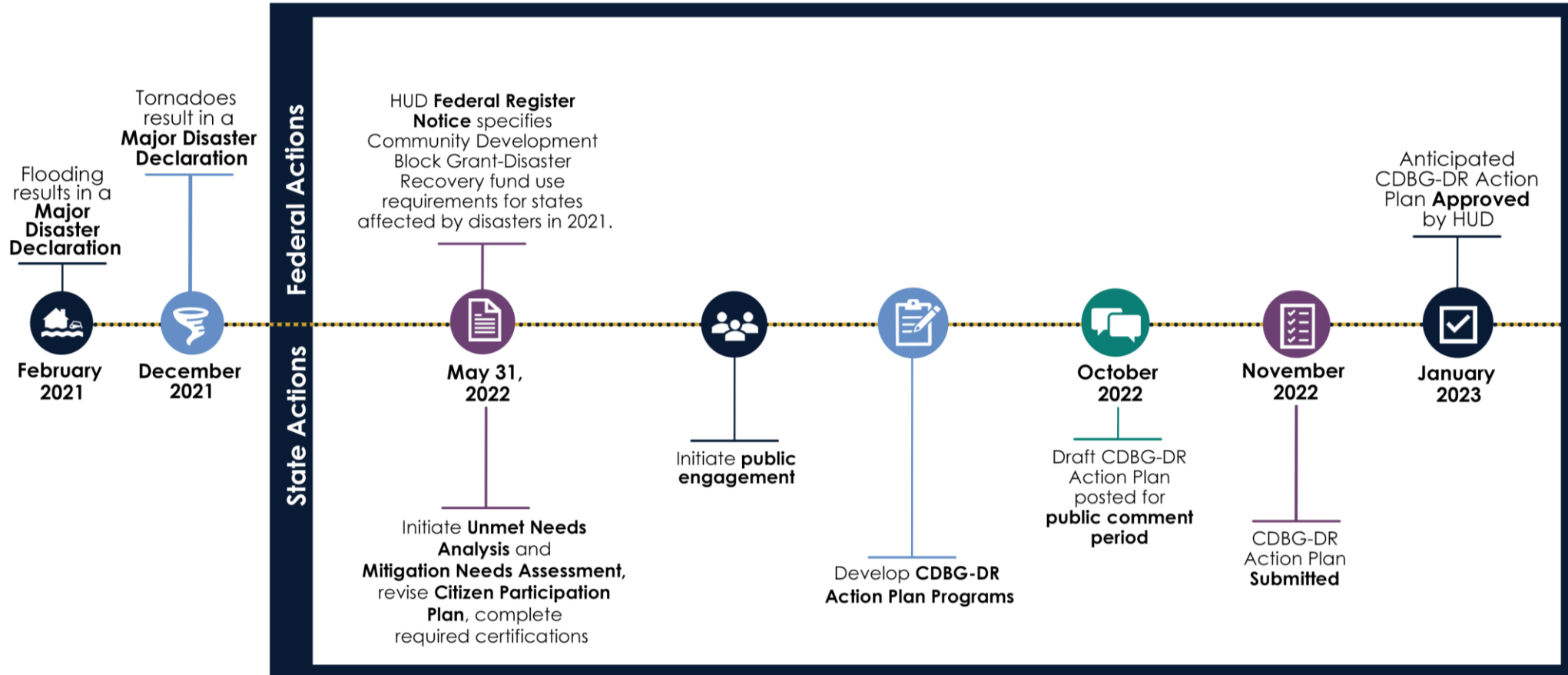


After unmet and mitigation needs were identified, the state developed programs to meet those needs and create an Action Plan.

The plan outlines how CDBG-DR funds will be utilized across programs and distributed in the impacted areas.

After the Action Plan was developed, it was shared with the public to collect feedback on the plan. After a 30-day public comment period, feedback was incorporated into the plan, and it was submitted to HUD for review and approval.

Action Plan Timeline



Action Plan Citizen Participation Requirements

Stakeholders

- State agencies
- Indian tribes
- Local governments
- Federal partners
- Nongovernmental organizations
- Private sector
- Organizations that advocate on behalf of members of protected classes, vulnerable populations, and underserved communities impacted by the disaster

Citizen Participation Requirements

DLG worked to identify and address potential barriers that might limit or prohibit underserved communities and individuals affected by the disaster from providing public comment on the grantee's action plan.



After the creation of the Action Plan and before submitting to HUD:



Publish for public comment on DLG disaster recovery website (minimum of 30 days)



Hold at least one public hearing during public comment period – virtual or in person

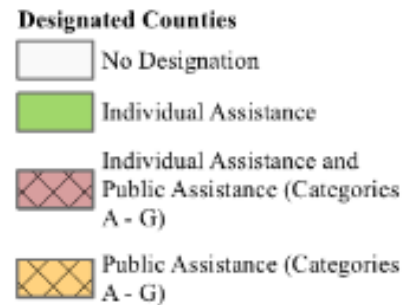
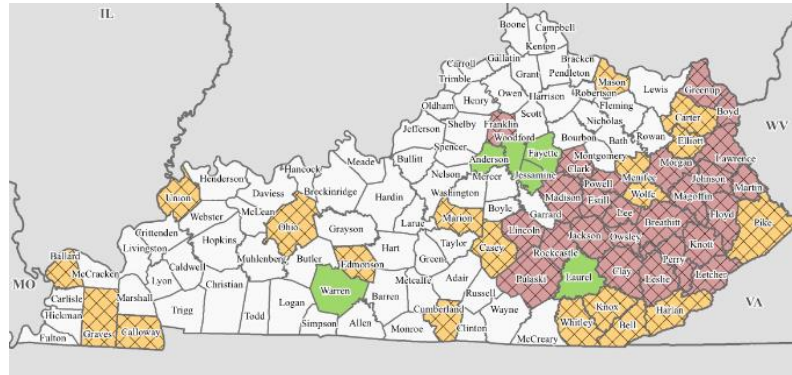


Must respond to all comments received

CDBG-DR Requirements

HUD Federal Register: Expenditure Requirements

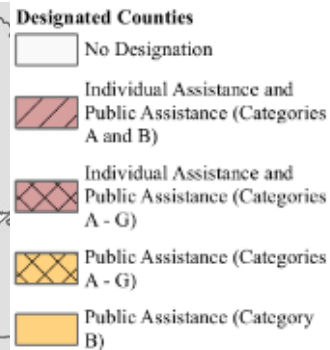
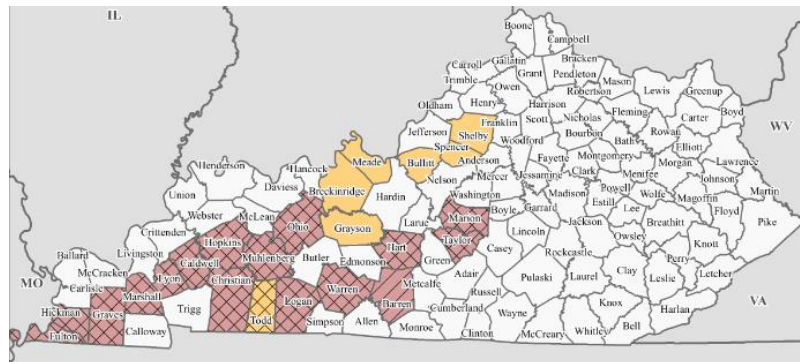
FEMA-4595-DR, Kentucky Disaster Declaration as of 06/25/2021



CDBG-DR Total Allocation **\$74,953,000 + \$48,983,000 = \$123,936,000**

70% of CDBG-DR funds must benefit **low-to-moderate income (LMI)** persons or households.

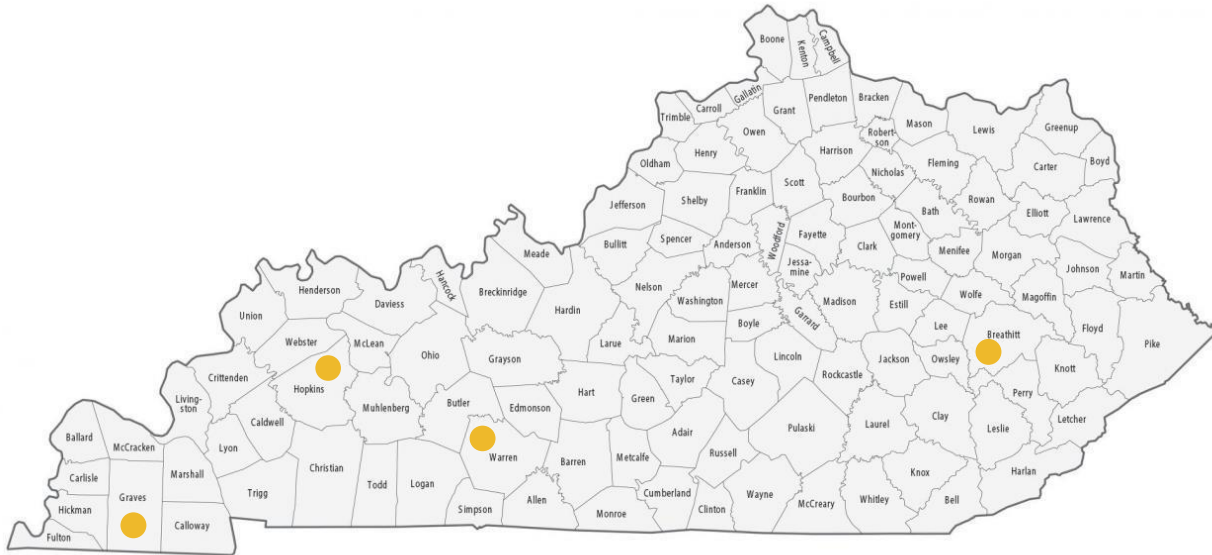
FEMA-4630-DR, Kentucky Disaster Declaration as of 01/06/2022



80% of CDBG-DR funding expend in the HUD determined **Most Impacted and Distressed (MID)** counties and zip codes.

State can define “grantee-identified MID’s” for the remaining **20%** in the Action Plan

Eligible Counties



● HUD-identified MID Area

Image Source: <https://gisgeography.com/kentucky-county-map/>

- HUD has identified the following MID areas for the 2021 KY disasters:
 - Graves County
 - Hopkins County
 - Breathitt County (41339)
 - Warren County (42101)
- Kentucky has decided to expand the HUD-identified MID areas in ZIP codes 41339 and 42101 to include the entire counties of Breathitt and Warren.

Eligible Counties

In addition to HUD's identified MIDs, Kentucky has identified the following counties as eligible for CDBG-DR funding:

- Boyd County, Caldwell County, Christian County, Clark County, Clay County, Estill County, Floyd County, Fulton County, Greenup County, Hart County, Hickman County, Jackson County, Johnson County, Knott County, Laurel County, Lawrence County, Lee County, Leslie County, Letcher County, Lincoln County, Logan County, Lyon County, Madison County, Magoffin County, Marion County, Marshall County, Martin County, Morgan County, Muhlenburg County, Ohio County, Owsley County, Perry County, Powell County, Pulaski County, Rockcastle County, and Taylor County

HUD Federal Register: Mitigation and Equity

CDBG-DR Mitigation Set Aside
\$16,166,000

Can be used for **new mitigation projects** and/or for **adding resilience into recovery activities**, considering existing and future conditions over the service life of the project

Increasing resilience to the impacts of climate change

Protecting public health

Conserving lands, waters, and biodiversity

Addressing environmental injustice

Spurring economic growth and creating jobs

HUD Federal Register: Targeted Populations

Disproportionate Disaster Impacts

Impact

- People are not equally impacted by disaster
- Underserved communities, vulnerable populations, and LMI households can be the most vulnerable

Solution

- Ensure that you haven't missed out on opportunities to reach vulnerable populations that may not normally apply to federal programs
- Engage vulnerable and underserved populations in by working with community partners to reach them

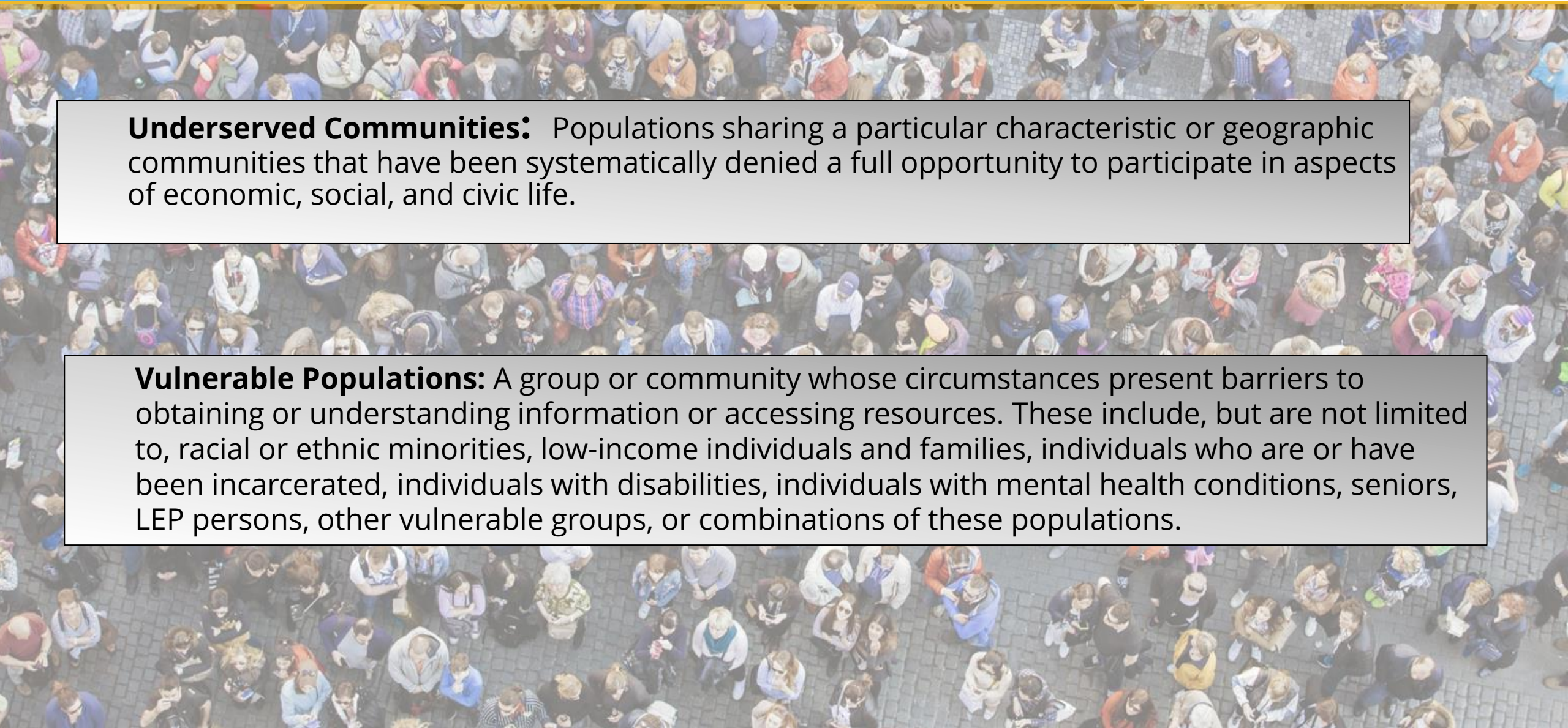


HUD Federal Register: Targeted Populations

- HUD seeks to advance the equitable distribution of recovery funds by planning for targeted assistance to residents of underserved communities; members of protected classes under fair housing and civil rights laws; and other vulnerable populations who have been historically marginalized and adversely impacted by disasters that exacerbate existing inequities.
- Grantees must use CDBG-DR funds in a manner that complies with its fair housing and nondiscrimination obligations, including Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and Section 109 of the HCDA
- High priority to serve low-to moderate households (LMI)



HUD Federal Register: Targeted Populations

An aerial, high-angle photograph of a large, diverse crowd of people walking on a paved surface. The people are of various ages, ethnicities, and are dressed in casual attire. The crowd is dense and fills the entire background of the slide.

Underserved Communities: Populations sharing a particular characteristic or geographic communities that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life.

Vulnerable Populations: A group or community whose circumstances present barriers to obtaining or understanding information or accessing resources. These include, but are not limited to, racial or ethnic minorities, low-income individuals and families, individuals who are or have been incarcerated, individuals with disabilities, individuals with mental health conditions, seniors, LEP persons, other vulnerable groups, or combinations of these populations.

Understand and Comply with Duplication of Benefits (DOB) Rules

R U L E S



Duplication of Benefits Overview

- Duplication of Benefits (DOB)
 - Post-disaster, communities may receive recovery assistance from various funding sources.
 - With all the activity happening, it can get complicated to track how every dollar is utilized.
 - How do ensure that all funding is used appropriately? All costs are covered? That separate funding are not covering the same dollar of cost?
 - For HUD, they do not want to cover the same cost if another source, like FEMA, is covering the same source.
 - Similar to accounting principles where expenses match revenue, we want to ensure that total recovery costs match total recovery assistance provided.
 - Federal regulations define policies and procedures on how to handle DOB to ensure that fraud and waste are not part of the recovery process.

- Definitive Regulations
 - Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act ([42 U.S.C. 5155](#)).
 - Provides the framework for Federal disaster assistance.
 - Sets forth the process by which the President declares a major disaster.

- Definitive Regulations
 - Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act ([42 U.S.C. 5155](#)).
 - A person (individual, household, business, government, or other entity) receives financial assistance from multiple sources and the assistance is for the same purpose.
 - The total assistance exceeds total need for a particular recovery activity.
 - The DOB prohibition applies to programs providing financial assistance “as a result of a major disaster or emergency”.
 - Typical types of financial assistance considered a DOB are:
 - FEMA grants
 - SBA – subsidized loans (more about an exception to this later)
 - State and local grants
 - Private Insurance
 - Private/nonprofit relief assistance

- Definitive Regulations
 - Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act ([42 U.S.C. 5155](#)).
 - What loans are not considered a DOB:
 - Private loans – from banks and friends and family
 - Declined Loans – loan amounts that were approved or offered by a lender in response to a loan application, but were turned down by the applicant, meaning the applicant never signed loan documents to receive the loan proceeds
 - Cancelled Loans – loan amounts that were not dispersed and the loan is no longer available to the applicant, but a loan agreement was signed. The loan cancellation may be due to default of the borrower, agreement by both parties to cancel the undisbursed portion of the loan, expiration of the term for which the loan was available for disbursement, or other reasons.

- Definitive Regulations
 - Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act ([42 U.S.C. 5155](#)).
 - **What is Order of Assistance?** [CDDDBG-DR funds] may not be used for activities reimbursable by, or for which funds are already made available by, the Federal Emergency Management Agency, the Army Corps of Engineers, or other funding.
 - CDBG-DR should supplement, not supplant, other funding.
 - CDBG-DR is treated as the “last source of funding”.
 - FEMA can impose a regulatory “delivery sequence” (44 C.F.R. 206.191) for a particular disaster.

- Definitive Regulations
 - Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act ([42 U.S.C. 5155](#)).
 - DLG cannot comply with the Stafford Act without completing a DOB analysis specific to each applicant, business concern, or other entity *even if to report that no other benefits were received or are pending*.

- Definitive Regulations
 - CDBG-DR Appropriations Acts and HUD Federal Register Notices.
 - [84 FR 28836](#): June 2019 Duplication of Benefits Notice
 - [84 FR 28848](#): June 2019 Duplication of Benefits Implementation Notice
 - [76 FR 71060](#): November 2011 Duplication of Benefits
 - The 2019 DOB notices temporarily amended section 312 of the Stafford Act:
 - For disasters declared between January 1, 2016 and December 31, 2021
 - *A subsidized loan* is not a DOB if all federal assistance is used toward a loss suffered as a result of a major disaster or emergency.
 - The amendment sunsets on October 5, 2023.

- Definitive Regulations
 - CDBG-DR Appropriations Acts and HUD Federal Register Notices.
 - The 2019 DOB notice exceptions sunsets on October 5, 2023:
 - Loan documents need to be awarded (i.e., terms of the award/agreement must be settled, signed by all parties, and final) before October 5, 2023.
 - It is permissible for the activities funded by the subsidized loan to occur after October 5, 2023.

- Definitive Regulations
 - CDBG-DR Appropriations Acts and HUD Federal Register Notices.
 - Verification:
 - Review receipts, inspections, bank statements, or other reasonable sources of documentation to verify that a subsidized loan was used for a disaster-related purpose and meets the DRRRA exception.
 - Can also use self-certifications with additional back-up documentation to verify how the assistance was used (attestation form).

- Definitive Regulations
 - OMB Cost Principles ([24 CFR part 570](#) and [2 CFR 200, subpart E](#)) and DOB presentations available on the [HUD Exchange](#).
 - DOB reviews are required to comply with the “necessary and reasonable benefits” requirement.
 - Necessary: Is the cost for an eligible activity? Is there a need for the assistance? Is it for a permissible recovery purpose (cost)?
 - Reasonable: Would a prudent person consider the cost to be payable by the award?



DOB Framework



- Assess Applicant Need
- Identify Total Assistance Available
- Exclude Non-Duplicative Assistance
- Identify the DOB Amount & Calculate Total Award (including Program Cap)
- Reassess Unmet Need When Necessary

Determine an applicant's current total need which is calculated based on need estimates at a point in time. Total need will be calculated without regard to the program-specific caps on the amount of assistance. Need can be based on construction cost estimates or determined by parameters of the program.

- Assess Applicant Need
- **Identify Total Assistance Available**
- Exclude Non-Duplicative Assistance
- Identify the DOB Amount & Calculate Total Award (including Program Cap)
- Reassess Unmet Need When Necessary

Identify “total assistance” which includes all reasonably identifiable financial assistance available to an applicant. Total assistance includes resources such as cash awards, insurance proceeds, grants (federal, state, or local), or loans (not private, cancelled, or declined).

Assistance is available if funds are awarded, an applicant has access to the funding as part of recovery, and has legal right to the funds.

- Assess Applicant Need
- **Identify Total Assistance Available**
- Exclude Non-Duplicative Assistance
- Identify the DOB Amount & Calculate Total Award (including Program Cap)
- Reassess Unmet Need When Necessary

EXAMPLES

FEMA: documented by letter from FEMA and/or data provided by FEMA

Insurance: documented by letter from insurance company and/or data if available

SBA: documented by letter from SBA and/or data provided by the SBA

Other Sources: such as CDBG/HOME, local/state government funds, private/nonprofit relief assistance, in-kind services, and housing trust funds.

- Assess Applicant Need
- Identify Total Assistance Available
- **Exclude Non-Duplicative Assistance**
- Identify the DOB Amount & Calculate Total Award (including Program Cap)
- Reassess Unmet Need When Necessary

Exclude amounts that are provided for a different purpose or provided for the same purpose (eligible activity), but for a different, allowable use (cost).

- Assess Applicant Need
- Identify Total Assistance Available
- Exclude Non-Duplicative Assistance
- **Identify the DOB Amount & Calculate Total Award (including Program Cap)**
- Reassess Unmet Need When Necessary

DOB is calculated by subtracting non-duplicative exclusions from total assistance.

To calculate the total maximum amount of the CDBG–DR award, subtract the amount of the DOB from the amount of the total need to determine the maximum amount of the CDBG–DR award.

Determine if there is a program cap which may reduce the potential CDBG–DR assistance available to the applicant.

- Assess Applicant Need
- Identify Total Assistance Available
- Exclude Non-Duplicative Assistance
- Identify the DOB Amount & Calculate Total Award (including Program Cap)
- **Reassess Unmet Need When Necessary**

As the grant progresses, needs may change with changing circumstances (e.g., applicant received more funds from other sources or increased construction costs).

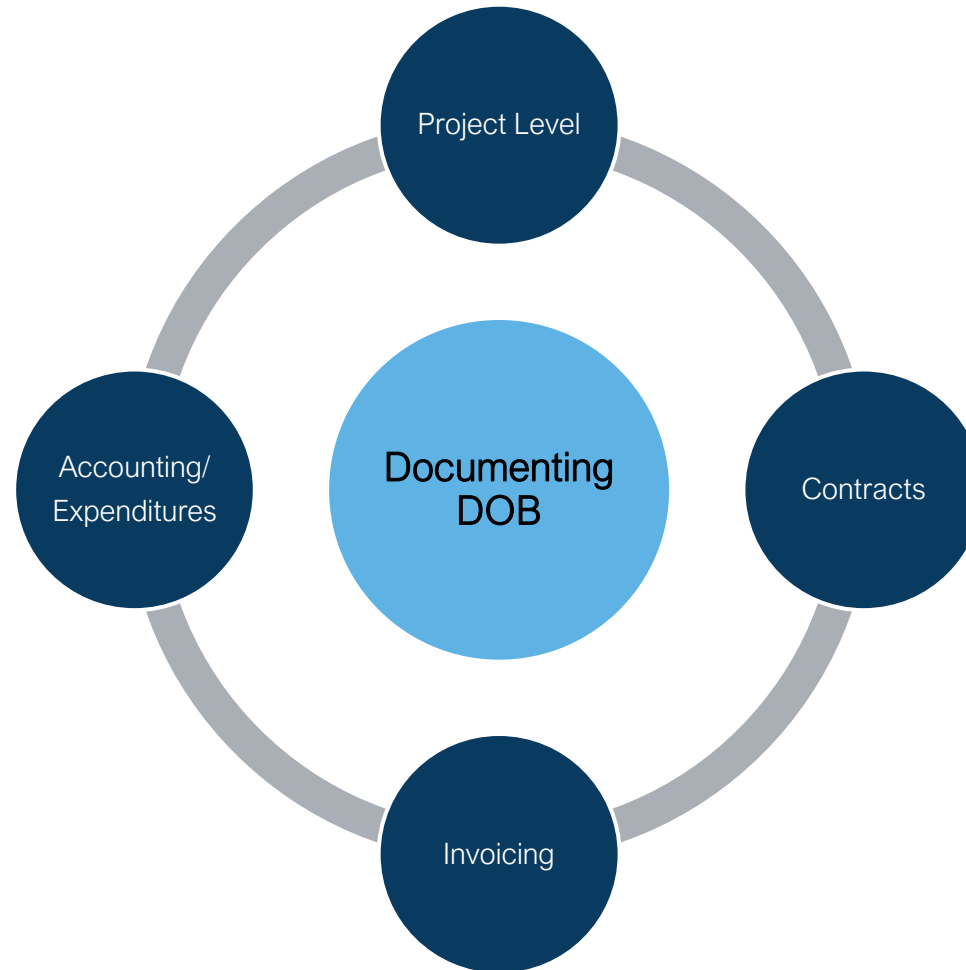
Best practice is to regularly evaluate needs and ensure available funds are able to address the complete recovery.

Example: Infrastructure Project

- The 2021 storms caused significant deterioration of main roadways.
- An application was submitted to redesign several interconnected streets to ensure continuous flow of traffic during emergencies. Updates to be made by 2026.
- Local government should document any funds available or that there are no funds set aside for this activity.

DOB Analysis	Calculation
Step 1: Identify applicant's post-disaster unmet needs (est. project cost)	\$7,000,000
Step 2: Identify amounts available for capital improvements from all sources, including local funds (e.g., \$2,000,000 from FEMA + \$1,000,000 from local funds identified)	\$3,000,000
Step 3: Exclude Non-Duplicative Amounts	\$0
Step 4: Identify Total DOB Amount	\$3,000,000
Step 5: Maximum Award (Step 1 – Step 4)	\$4,000,000
Step 6: Final Award (consider program cap of \$3M; award limited to \$3M instead of \$4M)	\$3,000,000

- Matching/Cost Share:
 - Disaster recovery is a partnership between federal, state, tribe, and local governments.
 - PA Program requires that the costs of any PA-funded project be shared by the federal government in partnership with states, tribes, and local governments or certain eligible private non-profit organizations.
 - The federal portion of a FEMA PA-funded project is usually no less than 75 percent of the total project costs, leaving 25 percent of the total project costs to be paid by the FEMA PA recipient and/or subrecipient (Local Match). A waiver may be issued to increase the federal share to 90 percent.
 - HUD allows the use of CDBG funds to meet the non-federal match requirements of other federal programs.
 - Traditional Match: CDBG-DR funds are applied as Local Match to the entire PA project and all work within the project is subject to both PA and CDBG-DR eligibility and compliance requirements.
 - Flexible Match: can choose to apply its CDBG-DR funding to distinct facilities or sites within a PA project. All of the sites and facilities must comply with FEMA PA requirements. But only the CDBG-DR assisted portion of the project must comply with CDBG-DR requirements.



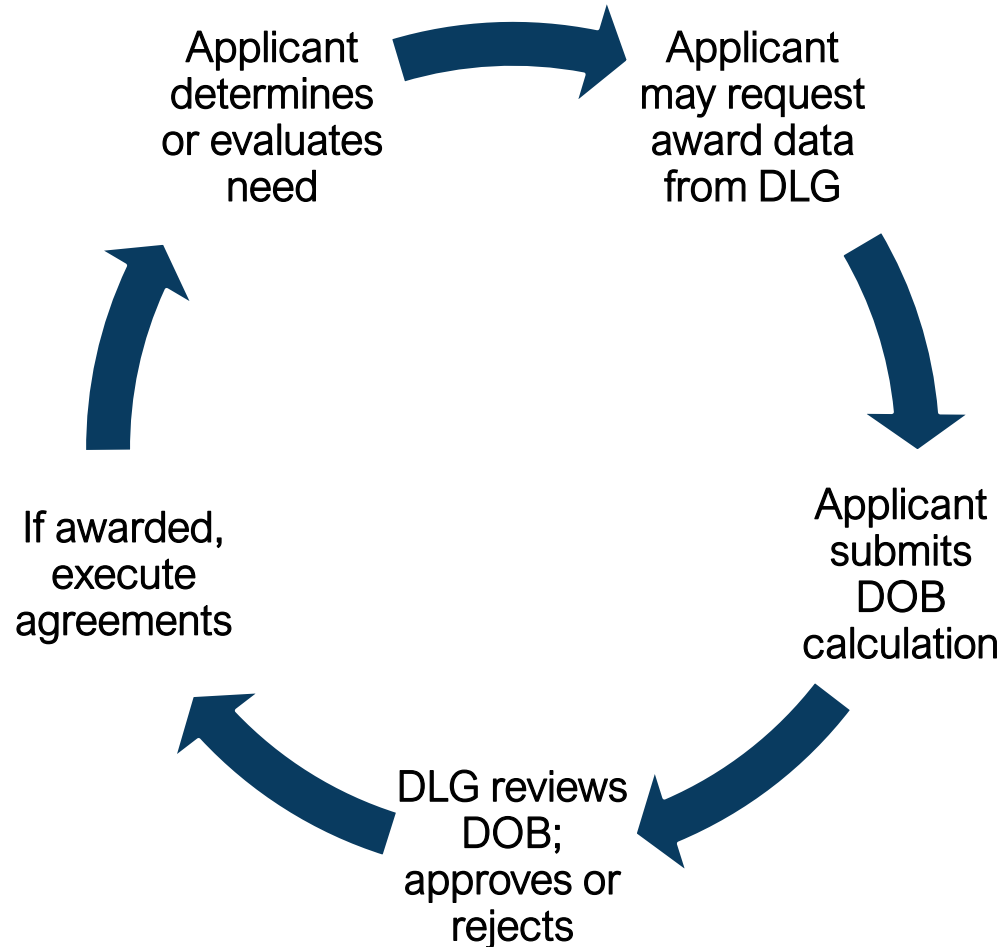
- Avoiding DOB issues:
 - Understand what is the project's total unmet need
 - Identify all sources of funds received for the disaster recovery activity
 - Coordinate with other agencies/organizations providing assistance
 - Determine the remaining gap not covered by any other funding source
 - Perform quality control reviews at every drawdown
 - Follow policies and procedures to prevent any DOB
 - Quickly remedy instances of duplication and recapture funds
 - Contact DLG for questions on more complex situations
 - **CHANGE ORDERS:** Reevaluate DOB needs, if applicable



DOB Policy and Procedures



DOB Policy and Procedures



The DOB review will be completed by the subrecipient and verified by DLG.

Subrecipients who apply to DLG to administer housing programs will have a different role in the DOB process than those subrecipients that apply to DLG for funding of infrastructure projects, business entities, and planning grants.

Subrecipients will be required to coordinate with each program applicant to fill out and certify DOB forms for every household assisted.

- CDBG-DR Subrecipient Manual
 - Policies cover how to prevent DOB, ensure CDBG-DR awards are necessary and reasonable, how to monitor compliance, and how funds will be recaptured if a DOB occurs.
 - Refer to Chapter 10 of the manual, which includes the following attachments:
 - Program-specific DOB calculation worksheets
 - DOB program workflows
 - DOB policy form
 - Award letter templates
 - Attestation form
 - Non-supplanting form
 - Subrogation Agreement template

DOB Policy and Procedures

Program-specific DOB calculation worksheets

- DLG has developed several DOB worksheets to help applicants complete a DOB analysis.
- The DOB worksheet is program-specific and follows the steps outlined in HUD's DOB framework.

Kentucky Department For Local Government					
Community Development Block Grant Disaster Recovery (CDBG-DR)					
DOB Checklist & Certification					
Applicant ID:		Name of Applicant			
Applicant Name:					
Co-Applicant Name:					
Damaged Property Address:					
CDBG-DR Program		Owner-Occupied Rehabilitation and Reconstruction			
Status of Form		<input checked="" type="checkbox"/> Preliminary Review <input type="checkbox"/> Final DOB Review			
<p>This checklist explains how the Owner-Occupied Rehabilitation and Reconstruction calculated the Duplication of Benefits (DOB) and the maximum amount of CDBG-DR assistance you may be eligible to receive for the repair or reconstruction of your home. To be eligible for repair or reconstruction of your home, the program will determine the amount(s) of disaster recovery cash assistance and insurance funds that you received for home repair or replacement from sources such as the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA), insurance and other sources. The program will then determine if these funds were used as intended to repair your home.</p>					
Step 1: Identify Applicant's Total Need Calculated					
TOTAL APPLICANT NEEDS ESTIMATED		\$ 300,000.00			
Step 2: Identify Total Assistance Available and Amounts to Exclude as Non-Duplicative					
<p>The total assistance includes all reasonably identifiable financial assistance available to an applicant (identified funds as part of the recovery process, has received the assistance and has legal control over it, or has assistance but managed by another entity). Any assistance provided for a different purpose or allowable cost than the CDBG-DR eligible activity, must be excluded from total assistance. The sources of funding can be used for activities such as housing repairs, housing repair and reconstruction, loss of contents, debris removal, temporary relocation, transportation, medical and dental assistance, repair/replacement of essential household items, and other miscellaneous needs.</p>					
Types of Assistance Available or Received		Documented?	Exclude?	Amount	How was funding used? What Purpose?
FEMA Individual Assistance:				\$ 5,000.00	
FEMA Individual Assistance Temporary Housing Benefits and Other Needs Assistance (ONA)		Yes	No	\$ 5,000.00	
FEMA Individual Assistance Repair, Replacement, Replacement Housing Construction Benefits				\$ -	
SBA Disaster Loans:				\$ -	
SBA Personal Disaster Loan Benefits				\$ -	
Insurance Benefits:				\$ -	
Homeowner's Insurance Structural Loss Benefits				\$ -	
Flood Insurance (NFIP) Building Loss Benefits				\$ -	
NFIP Increased Cost of Compliance (ICC) Benefits				\$ -	
Windstorm Insurance Building Loss Benefits				\$ -	
Other Housing Assistance:				\$ -	
USDA Emergency Loan Program (EM) Funds Intended for Home Repair, Elevation, or Replacement				\$ -	
Self-Declared Philanthropic Cash Assistance Benefits for Construction or Temporary Housing				\$ -	
TOTAL DUPLICATIVE DISASTER ASSISTANCE RECEIVED				\$ 5,000.00	
Confirmed Repairs				\$ -	
REMAINING DUPLICATIVE AMOUNT (due for escrow)				\$ 5,000.00	
Step 3: Calculate Maximum CDBG-DR Award					
Applicant's Total Development Costs:				\$ 300,000.00	
Confirmed Duplicative Assistance for Completed Repairs:				\$ -	
Estimated Need Remaining:				\$ 300,000.00	
Program Cap (if applicable, set by program guidelines):				\$ -	
FINAL CDBG-DR AWARD:				\$ 295,000.00	
(Program Cap = Final Award if Maximum Award is Greater than the Program Cap)					
Required escrow amount:				\$ 5,000.00	
Certification of Review					
<p>Under penalties of perjury, I/we certify that the information presented in this document is true and accurate to the best of my knowledge and belief. I/we further understand that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in my ineligibility to participate in this program or any other programs that will accept this document. Additionally, if I/we receive future funding for the same purpose of the CDBG-DR funds, I/we will agree to repay the assistance that was duplicated.</p>					
Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.					
Printed Name of Applicant:				Date:	
Signature of Applicant:				Date:	
Printed Name of Co-Applicant:				Date:	
Signature of Co-Applicant:				Date:	
Printed Name of DOB Reviewer:				Date:	
Signature of DOB Reviewer:				Date:	
Duplication of Benefits (DOB) Calculation Form					
				Version date of March 2023	
Disclaimer: The Commonwealth of Kentucky has made every effort to ensure the information contained on this form is accurate and in compliance with the most up-to-date CDBG-DR federal rules and regulations, as applicable.					

DOB Policy and Procedures

Program-specific DOB calculation worksheets

- Housing applicants will be required to provide insurance provider contact information, policy coverage information and ID, claims information and amounts received and approved for all potentially duplicative sources.
- Subrecipients will collect information on potentially duplicative funding sources and develop a source and uses table to demonstrate how much funding is available and what each funding source would pay from a project's scope of work.

Kentucky Department For Local Government				
Community Development Block Grant Disaster Recovery (CDBG-DR)				
DOB Checklist & Certification				
Applicant ID:	Name of Applicant			
Applicant Name:				
Co-Applicant Name:				
Damaged Property Address:				
CDBG-DR Program	Owner-Occupied Rehabilitation and Reconstruction			
Status of Form	<input checked="" type="checkbox"/> Preliminary Review <input type="checkbox"/> Final DOB Review			
<p>This checklist explains how the Owner-Occupied Rehabilitation and Reconstruction calculated the Duplication of Benefits (DOB) and the maximum amount of CDBG-DR assistance you may be eligible to receive for the repair or reconstruction of your home. To be eligible for repair or reconstruction of your home, the program will determine the amount(s) of disaster recovery cash assistance and insurance funds that you received for home repair or replacement from sources such as the Federal Emergency Management Agency (FEMA), the Small Business Administration (SBA), insurance and other sources. The program will then determine if these funds were used as intended to repair your home.</p>				
Step 1. Identify Applicant's Total Need Calculated				
TOTAL APPLICANT NEEDS ESTIMATED			\$	300,000.00
Step 2: Identify Total Assistance Available and Amounts to Exclude as Non-Duplicative				
<p>The total assistance includes all reasonably identifiable financial assistance available to an applicant (identified funds as part of the recovery process, has received the assistance and has legal control over it, or has assistance but managed by another entity). Any assistance provided for a different purpose or allowable cost than the CDBG-DR eligible activity, must be excluded from total assistance. The sources of funding can be used for activities such as housing repairs, housing repair and reconstruction, loss of contents, debris removal, temporary relocation, transportation, medical and dental assistance, repair/replacement of essential household items, and other miscellaneous needs.</p>				
Types of Assistance Available or Received	Documented?	Exclude?	Amount	How was funding used? What Purpose?
FEMA Individual Assistance:			\$	5,000.00
FEMA Individual Assistance Temporary Housing Benefits and Other Needs Assistance (ONA)	Yes	No	\$	5,000.00
FEMA Individual Assistance Repair, Replacement, Replacement Housing Construction Benefits			\$	-
SBA Disaster Loans:			\$	-
SBA Personal Disaster Loan Benefits			\$	-
Insurance Benefits:			\$	-
Homeowner's Insurance Structural Loss Benefits			\$	-
Flood Insurance (NFIP) Building Loss Benefits			\$	-
NFIP Increased Cost of Compliance (ICC) Benefits			\$	-
Windstorm Insurance Building Loss Benefits			\$	-
Other Housing Assistance:			\$	-
USDA Emergency Loan Program (EM) Funds Intended for Home Repair, Elevation, or Replacement			\$	-
Self-Declared Philanthropic Cash Assistance Benefits for Construction or Temporary Housing			\$	-
TOTAL DUPLICATIVE DISASTER ASSISTANCE RECEIVED			\$	5,000.00
Confirmed Repairs			\$	-
REMAINING DUPLICATIVE AMOUNT (due for escrow)			\$	5,000.00
Step 3: Calculate Maximum CDBG-DR Award				
Applicant's Total Development Costs:			\$	300,000.00
Confirmed Duplicative Assistance for Completed Repairs:			\$	-
Estimated Need Remaining:			\$	300,000.00
Program Cap (if applicable, set by program guidelines):			\$	-
FINAL CDBG-DR AWARD:			\$	295,000.00
(Program Cap = Final Award if Maximum Award is Greater than the Program Cap)			\$	295,000.00
Required escrow amount:			\$	5,000.00
Certification of Review				
<p>Under penalties of perjury, I/we certify that the information presented in this document is true and accurate to the best of my knowledge and belief. I/We further understand that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in my/ineligibility to participate in this program or any other programs that will accept this document. Additionally, if I/we receive future funding for the same purpose of the CDBG-DR funds, I/we will agree to repay the assistance that was duplicated.</p>				
Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.				
Printed Name of Applicant:			Date:	
Signature of Applicant:			Date:	
Printed Name of Co-Applicant:			Date:	
Signature of Co-Applicant:			Date:	
Printed Name of DOB Reviewer:			Date:	
Signature of DOB Reviewer:			Date:	
Duplication of Benefits (DOB) Calculation Form				Version date of March 2023
Disclaimer: The Commonwealth of Kentucky has made every effort to ensure the information contained on this form is accurate and in compliance with the most up-to-date CDBG-DR federal rules and regulations, as applicable.				

DOB Policy and Procedures

- DOB policy form
 - To prevent DOB, subrecipients will be required to implement adequate and necessary program policies and procedures that include sufficient controls.
- Award letter templates
- Attestation form
- Non-supplanting form
- Subrogation Agreement template

CDBG-DR 10-3

DUPLICATION OF BENEFITS POLICY

The Robert T. Stafford Disaster Relief and Emergency Assistance Act is the primary legal authority establishing the framework for the Federal government to provide disaster and emergency assistance. Section 312 of the Stafford Act requires that recipients of federal disaster recovery funding make certain that no, "person, business concern or other entity" will receive duplicative assistance. Recipients who receive Federal disaster assistance are liable for repayment of the amount of Federal disaster assistance that duplicates benefits available for the same purpose from another source. However, when assistance covers only a part of the recipient's disaster needs, additional assistance to cover needs not met by other sources will not cause a duplication of benefits (DOB).

A Duplication of Benefits occurs when the following three criteria are met:

- A beneficiary receives assistance,
- the assistance is from multiple sources (i.e., private insurance, FEMA, NFIP, non-profits, City, State, etc.), and
- the assistance amount exceeds the need for a particular recovery purpose.

PROCEDURE:

To determine that CDBG-DR assistance does not duplicate other funds received for the same activity (i.e., does not replace other funds received), _____ will use the following process steps to prevent a DOB from occurring:

1. Identify the total need for assistance prior to any assistance being provided.
2. Identify all potentially duplicative assistance received or to be received.
3. Deduct assistance determined to be duplicative.
4. Determine maximum award.
5. Determine program cap (if applicable).
6. Determine final award.

Since disaster recovery needs are calculated at one point in time, subsequent circumstances may occur that affect need. If, after the assistance has been calculated and/or a CDBG-DR award has been made, an applicant can demonstrate a change in circumstances, the award calculation may be subsequently reevaluated to take the increased need into consideration. Such changes in circumstances may include:

- Additional damage caused by a subsequent disaster.
- An increase in the cost of materials and labor.
- Additional costs to account for compliance or resiliency measures.
- Additional funding made available or received post-award.

Once funds are awarded, minus any determined DOB, the applicant is required to notify _____ of the receipt of any additional funds received for the same activity. If additional funds are determined to be a DOB, funds will be withheld from future pay requests. If all funds have been expended and a DOB is identified, the applicant will be required to repay the funds.

SUBRECIPIENT RESPONSIBILITY:

By certifying this policy, _____ is responsible for ensuring that duplication policies and procedures are followed and DOB calculations and certifications are available for all beneficiaries. Chapter 10 of the CDBG-DR Subrecipient Manual goes into detail on the DOB process and how subrecipients will coordinate with Kentucky DLG to verify DOB before final awards are made. Also, DLG has provided templates for calculating and certifying DOB as part of that chapter. _____ will review the Chapter and utilize the templates provided when implementing the CDBG-DR program(s).

DOB Policy and Procedures

- DOB policy form
- Award letter templates
 - Subrecipient notifies the housing beneficiary. The beneficiary has 30 days to appeal the decision.
- Attestation form
- Non-supplanting form
- Subrogation Agreement template

CDBG-DR 10-10

[SUBRECIPIENT] AWARD LETTER

Subrecipient Letterhead

TO:

«Applicant Name» or «Co-Applicant Name»
«Mailing Address»
«Mailing City»
«Mailing State», «Mailing Zip Code»

Dear «Applicant Name» or «Co-Applicant Name»:

Thank you for applying to the [Click or tap here to enter text.](#) Program. We are writing to inform you that your application for the property at «Damaged Property Address» has been reviewed and is eligible for CDBG-DR disaster assistance. Based on the documentation received detailing how much disaster assistance was received, what the assistance was used for, and what third-party data verification shows, the final eligible CDBG-DR to be awarded total is [Click or tap here to enter text.](#)

Attached with this award letter is the Duplication of Benefits (DOB) Certification Form that shows the total verified need less other duplicative assistance verified. You are encouraged to schedule an award consultation with a program representative to better understand your award. Once you review your award, you should complete the DOB Certification Form #10-8, and notify the program whether you have selected to accept, reject, or appeal the program decision.

How to Appeal

If you disagree with the program's determination about your eligible award and wish to appeal it, you must submit your appeal in writing within thirty (30) calendar days of the date on this letter. The Program will acknowledge your appeal within fifteen (15) calendar days from receipt of the written appeal. Disputing the award amount will require you to provide evidence to support your claim and get your application reviewed. If the program does not receive your Request for Appeal Form and supporting documentation within thirty (30) calendar days, your ability to appeal will be waived and your application will remain in its current status.

DOB Policy and Procedures

- DOB policy form
- Award letter templates
- Attestation form
 - Required to complete if discrepancies are identified that can't be verified by third party sources.
- Non-supplanting form
- Subrogation Agreement template

CDBG-DR 10-8

Click or tap here to enter text.
Duplication of Benefits (DOB) Due Diligence Attestation Form

Directions: Applicants are required to complete this Attestation Form if Program Staff identify discrepancies, but are unable to obtain clarification from relevant third-parties e.g. Insurance Agencies, FEMA, SBA, etc.) within either a reasonable period of time or thirty (30) calendar days. Program Staff may not submit applications for QA/QC until adequate information is collected from third-parties or the application completes the attestation below.

Applicants shall list all proceeds received, the amount received, and the purpose/use of those funds as it relates to the specific program they are applying for. This must follow the specific Program's Policies and Procedures.

Type of Funds Received <i>(e.g., insurance, homeowner's insurance, SBA loan, personal loan, donations etc.)</i>	Amount of Funds Received	Purpose or Use of Funds <i>(e.g., rental assistance, business assistance, construction, etc.)</i>
	\$	
	\$	
	\$	
	\$	
	\$	

I certify under penalty of perjury that the information contained in this form is true and correct.

Signature: _____
Printed Name: _____
Date: _____

DOB Policy and Procedures

- DOB policy form
- Award letter templates
- Attestation form
- **Non-supplanting form**
 - Ensure that CDBG-DR funds will not be supplanting city or county funding already budgeted for the applied for project.
- Subrogation Agreement template

CDBG-DR 10-9
Non-supplanting Certification

Supplanting defined
Federal funds must be used to supplement existing funds for program activities and must not replace those funds that have been appropriated for the same purpose. Supplanting shall be the subject of application review, as well as pre-award review, post-award monitoring, and audit. If there is a potential presence of supplanting, the applicant or grantee will be required to supply documentation demonstrating that the reduction in non-Federal resources occurred for reasons other than the receipt or expected receipt of Federal funds.

_____ certifies that any CDBG-DR funds awarded shall be used to supplement existing funds for program activities and will not replace (supplant) nonfederal funds that have been appropriated for the purposes and goals of the grant.

_____ understands that supplanting violations may result in a range of penalties, including but not limited to suspension of future funds under this program, suspension or debarment from federal grants, recoupment of monies provided under CDBG-DR, and civil and/or criminal penalties.

Printed Name and Title: _____

Signature: _____ Date: _____

DOB Policy and Procedures

- DOB policy form
- Award letter templates
- Attestation form
- Non-supplanting form
- Subrogation Agreement template
 - Each applicant must also enter into an agreement with the CDBG-DR subrecipient or DLG to repay any assistance later received for the same purpose for which the CDBG-DR funds were provided.

CDBG-DR 10-11

DOB SUBROGATION AGREEMENT

This Subrogation Agreement ("Agreement") is made and entered into on this ____ day of _____, 20____, by and between _____ and the _____

By the receiving the CDBG-DR Grant Amount, the Applicant(s) hereby foregoes all future rights to reimbursement and all payments which may be received under any Federal Emergency Management Agency ("FEMA") program, Small Business Administration ("SBA") program, casualty or property damage insurance, nonprofit donations or grants, or any other funding received and related to the physical damage of the damaged home (not including contents) caused by the "Storms" that have not previously been included in the DOB calculation of the Grant Amount.

Under this Agreement, future proceeds shall be subject to the following:

- a) If proceeds are received by the Applicant between the date of this Agreement and the date of the first disbursement of the Grant Amount, the Program will re-calculate the Grant Amount by including the proceeds as a Duplication of Benefits in the grant calculation, which may result in the Grant Amount being reduced.
- b) If proceeds are received by the Applicant after the date of the first disbursement of the Grant Amount, but before the final disbursement, then the Applicant(s) must repay the Program the difference between the total amount of disbursements as of the date the proceeds were received, and (ii) the total Grant Amount that would have been made if such proceeds had been included in the original DOB calculation.
- c) If proceeds are received by the Applicant after the date of the final disbursement of the Grant Amount, then the Applicant(s) must turn over to the Program the total amount of the Proceeds up to, but not exceeding, the Grant Amount.
- d) If proceeds are received while the Applicant(s) is in default under the Program, then the Program will recover the amount of CDBG-DR proceeds up to the Grant Amount disbursed.

Applicant(s) must agree to assist and cooperate with the Program should there be a need to pursue any of the claims the Applicant has or may have with other parties providing disaster assistance. If requested by the Program, the Applicant(s) must provide additional documents or share information with the Program to further determine what assistance is available to the Applicant(s) and the implications on the Grant Amount.

The Applicant executing this Agreement hereby represents that he/she has received, read, and understands this notice of penalties for making a materially false or misleading written statement to obtain Grant Proceeds.

Primary Applicant Signature

Date

DOB Policy and Procedures

- DOB policy form
- Award letter templates
- Attestation form
- Non-supplanting form
- Subrogation Agreement template (Housing)
 - Borrower hereby assigns rights as they relate to the specific Structure defined within this Agreement and with respect to grants and/or loans described within Borrower's correlating application for assistance under the Program.
 - Borrower acknowledges that this assignment of rights only pertains to assistance calculated using physical damage caused to the Structure by the specific correlating disaster event. This includes any insurance and Program proceeds received for damage to the Structure caused by any subsequent event that occurred prior to the commencement of repair or reconstruction of the Structure utilizing Program funds.

CDBG-DR 10-11

DOB SUBROGATION AGREEMENT

This Subrogation Agreement ("Agreement") is made and entered into on this ____ day of _____, 20____, by and between _____ and the _____

By the receiving the CDBG-DR Grant Amount, the Applicant(s) hereby foregoes all future rights to reimbursement and all payments which may be received under any Federal Emergency Management Agency ("FEMA") program, Small Business Administration ("SBA") program, casualty or property damage insurance, nonprofit donations or grants, or any other funding received and related to the physical damage of the damaged home (not including contents) caused by the "Storms" that have not previously been included in the DOB calculation of the Grant Amount.

Under this Agreement, future proceeds shall be subject to the following:

- If proceeds are received by the Applicant between the date of this Agreement and the date of the first disbursement of the Grant Amount, the Program will re-calculate the Grant Amount by including the proceeds as a Duplication of Benefits in the grant calculation, which may result in the Grant Amount being reduced.
- If proceeds are received by the Applicant after the date of the first disbursement of the Grant Amount, but before the final disbursement, then the Applicant(s) must repay the Program the difference between the total amount of disbursements as of the date the proceeds were received, and (ii) the total Grant Amount that would have been made if such proceeds had been included in the original DOB calculation.
- If proceeds are received by the Applicant after the date of the final disbursement of the Grant Amount, then the Applicant(s) must turn over to the Program the total amount of the Proceeds up to, but not exceeding, the Grant Amount.
- If proceeds are received while the Applicant(s) is in default under the Program, then the Program will recover the amount of CDBG-DR proceeds up to the Grant Amount disbursed.

Applicant(s) must agree to assist and cooperate with the Program should there be a need to pursue any of the claims the Applicant has or may have with other parties providing disaster assistance. If requested by the Program, the Applicant(s) must provide additional documents or share information with the Program to further determine what assistance is available to the Applicant(s) and the implications on the Grant Amount.

The Applicant executing this Agreement hereby represents that he/she has received, read, and understands this notice of penalties for making a materially false or misleading written statement to obtain Grant Proceeds.

Primary Applicant Signature

Date

- Monitoring/Compliance Questions:
 - Identification of CDBG-DR need?
 - Identification of other sources of assistance?
 - Verification of FEMA, SBA, and insurance proceeds?
 - Adequate description of duplicative and nonduplicative funds?
 - Documented the CDBG-DR award calculation?
 - Tracking progress payments across multiple funding sources?
 - Policy in place to recapture funds, if necessary?

- Recordkeeping:
 - Subrecipients will be required to appropriately document compliance with DOB requirements.
 - Insufficient documentation on DOB can lead to findings, which can be difficult to resolve if records are missing, inadequate, or inaccurate to demonstrate compliance with DOB requirements.
 - A subrecipient may be required to substantiate this assertion with an additional source of information (e.g., physical inspections, photographs, credit card or bank statements, work estimates with sufficient detail, contractor invoices, flood inundation records, or receipts).



Case Studies

- Questions to ask:
 - What is the total project cost (from design to finish)?
 - What other funding sources are or have contributed to this project? Is there documentation (e.g., letter from entity) to show the commitment, amount, purpose?
 - Using 3rd party verification, is there any discrepancy with the amounts to be received for assistance?
 - Does the applicant have legal control over the funds?
 - What are the restrictions on the funding source?
 - Is the funding duplicative?

- Case #1:
 - Applicant's home was destroyed. They have received several sources of assistance and is now applying to the CDBG-DR housing program to finish rehabbing the home.
 - Estimated Cost to Repair (ECR) is **\$300,000**.
 - Insurance (contents): \$50,000
 - Insurance (debris removal): \$50,000
 - Insurance (repairs): \$50,000
 - FEMA (temp housing): \$25,000
 - FEMA (repairs): \$25,000
 - SBA loans (repair): \$30,000
 - State Grant: \$25,000
 - **TOTAL: \$255,000**

- Case #1:
 - Applicant documented certain assistance received.
 - Is there a DOB? What additional information do you need to complete the DOB calculation?
 - What is the maximum CDBG-DR award?

Do not count as DOB (\$150k):

- Insurance (contents): \$50,000
- Insurance (debris removal): \$50,000
- FEMA (temp housing): \$25,000
- State Grant: \$25,000

Count as DOB (\$105k):

- Insurance (repairs): \$50,000
 - Used for foundation
- FEMA (repairs): \$25,000
 - \$12k for repairs
 - \$8k for car purchase under ONA (*not documented*)
 - \$5k unspent
- SBA loans (repair): \$30,000
 - Used for exterior repairs

TOTAL: \$255,000

- Case #1 Solution:
 - **Not DOB**: \$100,000 in insurance for debris and contents, \$25,000 in FEMA temporary housing, and \$25,000 for state grants for general disaster recovery not considered a DOB due to funds being for a different purpose.
 - **DOB**: \$50,000 for insurance repairs, \$25,000 for FEMA Repairs, and \$30,000 from SBA would be a DOB. Total DOB is \$105,000.
- Maximum CDBG-DR award would be \$195,000.

- Case #2:
 - Business owner suffered damage from the 2021 severe storms and is applying to the Small Business Grant Program.
 - The business has calculated working capital needs at **\$230,000** and equipment costs at **\$45,000**.
 - The business has received **\$80,000** from other sources of funding.
 - Insurance (contents): \$5,000
 - Insurance (repairs): \$15,000
 - FEMA (repairs): \$45,000
 - SBA loans (repairs): 15,000
 - **TOTAL: \$80,000**

- Case #2:
 - Business owner suffered damage from the 2021 severe storms and is applying to the Small Business Grant Program.
 - The business has calculated working capital needs at **\$230,000** and equipment costs at **\$45,000**.
 - The business has received **\$80,000** from other sources of funding.
 - Program cap is **\$200,000**.
 - Is there a DOB? What is the maximum CDBG-DR award?
- Insurance (contents): \$20,000
 - Used for inventory and supplies
- FEMA (repairs): \$45,000
- SBA loans (repairs): 15,000
 - Used for external repairs, meets DRRA
- **TOTAL: \$80,000**

- Case #2 Solution:
 - \$45,000 in FEMA for repairs not considered a DOB due to funds being for a different purpose.
 - Receipts are required for FEMA funds to confirm “other purpose” uses and we need the letter from FEMA to show the statement.
 - Must also have an inspection report to confirm DOB.
 - \$20,000 for insurance contents would be a DOB.
- Maximum CDBG-DR amount would be \$210,000 (\$230,000 - \$20,000) but program award is capped, so applicant only receives \$200,000.

- Case #3:
 - A local government would like to repair damaged water facilities and has submitted an application to DLG for **\$200,000** in CDBG-DR funding.
 - It appears the project would be eligible under FEMA PA for up to 90 percent federal cost share. However, the local government never submitted an application to FEMA.
 - The local government has received some money from insurance and has some local funding that was committed for this project in prior appropriations that can be used for repairs.
 - How much can be awarded for CDBG-DR?
- Insurance (repairs): \$40,000
- FEMA (repairs): \$--
- Local Capital Funds: \$30,000
- **TOTAL: \$70,000**

- Case #3 Solution:
 - DOB cannot be determined at this time.
 - Subrecipient must demonstrate that an effort was made to obtain all funding that was available to them. If the subrecipient did not apply to FEMA, they will need to determine whether FEMA assistance is still available. If FEMA assistance is still available, the subrecipient should apply for FEMA funds prior to receiving CDBG-DR funds.

Housing DOB Best Practices

- Best Practices
 - Read applicants' submitted documents carefully to understand the policy
 - Forced Mortgage (re: total loss language)
 - Document everything!
- Exhibits:
 - Evidence of Insurance
 - Total Loss Letter

EVIDENCE OF INSURANCE			
Agency Southwest Business Corporation 9311 San Pedro, Suite 600 San Antonio, Texas 78216		Company GREAT AMERICAN ASSURANCE CO 49 W. FOURTH ST. 9TH FLOOR CINCINNATI, OH 45202	
Borrower [REDACTED]		Certificate Number GAV0066431	
Co-Borrower		Certificate Effective Date (mm/dd/yy) 08/26/17	Certificate Expiration Date (mm/dd/yy) UNTIL CANCELLED
Coverages and Limits of Liability		Master Policy Number E027127	
Description of Insured Property 1206 MENDOZA STREET CORPUS CHRISTI, TX 78416			
Described Dwelling/Building	\$33,536	Medical Payments to Others	\$0.00
Other Structures	\$3,353	Each Person	\$0.00
Unscheduled Personal Property	\$0.00	Each Accident	\$0.00
Personal Liability	\$0.00	Loss of Rents/Use (10% only)	\$0
Additional Living Expense (10% only)	\$0	*Tenant Use Only	\$0.00
* Owner Occupied Properties Only			
Deductibles		Type of Coverage FIRE	Type of Property RESIDENTIAL
If Occupied		Insured/Lender Name & Address CARRINGTON MORTGAGE SERVICES 1600 SOUTH DODDGLASS ROAD SUITES 110 & 200-A ANAHEIM, CA 92806	
Windstorm & Hail	\$671	Lender Loan Number 7000133330	
Vandalism	\$500	Premium	\$31.02
All Other Covered Perils	\$500	Policy Fee	\$0.00
If Vacant		Other Fee	\$0.00
Windstorm & Hail	\$671	Surplus Lines Tax	\$0.00
Vandalism	\$500	Stamping Fee	\$0.00
All Other Covered Perils	\$500	Total (MONTHLY)	\$31.02
Other Fees:			
THIS COVERAGE IS SUBJECT TO ALL TERMS, CONDITIONS AND EXCLUSIONS OF THE MASTER POLICY. THIS EVIDENCE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICY. IT IS ISSUED AS A MATTER OF INFORMATION ONLY. THIS COVERAGE IS EXCESS OVER ANY OTHER VALID INSURANCE COVERING THE PROPERTY WHETHER COLLECTIBLE OR NOT. FOR A COMPLETE COPY OF THE MASTER POLICY, CONTACT YOUR LENDER.			
ANY CLAIMS ON PROPERTIES INSURED FOR THE PRINCIPAL BALANCE ONLY WILL BE SUBJECT TO THE REPLACEMENT COST PROVISION OF THE MASTER POLICY. ANY LOSS OR DAMAGE INVOLVING MOLD, MILDEW OR FUNGI OF ANY KIND IS EXCLUDED FROM THE MASTER POLICY.			
THE PREMIUM ON THIS POLICY IS LIKELY TO BE HIGHER THAN THE PREMIUM ON A POLICY YOU CAN OBTAIN THROUGH YOUR AGENT OR INSURANCE COMPANY. THIS POLICY MAY ALSO PROVIDE LESS COVERAGE THAN THE ONE SECURED THROUGH YOUR AGENT OR INSURANCE COMPANY.			

770336 076900FCERT9912120101 SWBC

ditech.
a Walter company

10/6/2017
[REDACTED]

RE Claim #: 00102256823
Insurance Policy #: gr8903610907
Account#: 89036109
Insurance Check #: 0780068663

Dear Customer

It has come to our attention that your home has suffered severe physical damage classified as total loss. We would like to offer our condolences at this time of hardship. We understand you are very busy with the recent events; however it is imperative that the issue of your insurance claim be resolved as quickly as possible.

Enclosed you will find the above-referenced insurance check representing payment for losses under the above-referenced claim. Please follow the stated guidelines listed below.

The check must be endorsed by all individuals listed exactly as their names appear.

Please mail the endorsed check to the following address:

(Regular and USPS overnight mail only)

Ditech
ATTN: Payoff Department
Dept CH 9052
Palatine, IL 60055-9052

Upon completion of the above steps the amount of the insurance claim check will be applied to your remaining account balance. Once this process has been completed you will be notified of your account's status.

If you have any further questions please call 1-800-643-0202 Monday through Friday 7 a.m. to 8 p.m. or Saturday 7 a.m. to 1 p.m. Central Time.

Sincerely

Ditech Financial LLC

Questions





Other Federal and CDBG-DR



Section 3 - Requirements

Section 3 is HUD reg aimed at increasing economic opportunities for low-income residents & businesses in areas where HUD funds expended

- Applicable to grantee when CDBG-DR project includes >\$200,000 in HUD funds
- Section 3 only applies to housing construction, housing rehabilitation, and other public construction
- Applies when there are new contracting or employment/training opportunities

If applicable, must demonstrate efforts to reach quantitative in Section 3 regs:

- 25% of labor hours completed by qualified Section 3 workers
- 5% of labor hours completed by qualified Targeted Section 3 workers

Section 3 – Key Steps Basic Duties

Basic Duties

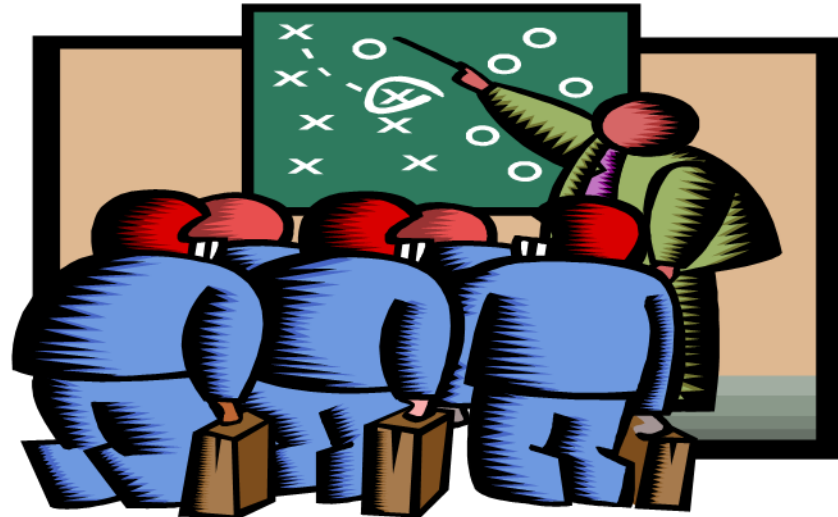
- Grantee must develop and submit a Section 3 Action Plan
- Outlines commitment & actions that will be carried out
- Section 3 language & forms must be in bid & contract documents
- Section 3 outcomes will be reported at closeout

Outreach Options:

- Directly to local businesses through associations, chambers of commerce, etc.
- Combine efforts with M/WBE outreach
- Hold meetings, distribute information in the area
- Post employment/training opportunities at local workforce centers & similar organizations

Aggregation 58.32

Must group together and evaluate as a single project all individual activities that are related on a geographical or functional basis...



Conducting a Tiered Review

- Tiering defined in 40 CFR 1508.28 as a means of making the environmental review process more efficient by allowing parties to “eliminate repetitive discussions of the same issues
- First - broad-level review identifies and evaluates the issues that can be fully addressed and resolved prior to specific sites
- Tiered process will establish the standards, constraints, and processes to be followed in the site-specific reviews.
- Second - As individual sites are selected for review, the Tier 2 reviews evaluate the remaining issues based on the policies established in the broad-level review.

Conducting a Tiered Review

- Together, the initial broad-level review and all site-specific reviews will collectively comprise a complete environmental review addressing all required elements.
- Funds cannot be spent or committed on a specific site or activity until both the broad-level review and the site-specific review have been completed for the site.
- Process allows for the overall activity to complete the initial tiered review and attain a release of funds.
- As individual sites are identified, the Tier 2 checklist would be completed and added to the file.

Tiered Review Records

- Environmental review record is not complete without both the broad-level and site-specific tiered reviews.
- All site-specific reviews must identify the corresponding broad-level review and should be filed together.
- Failure to maintain documentation of both a broad-level and a site-specific review for each project is a major cause of HUD non-compliance findings that often results in penalties and sanctions, including the repayment of funds.

When is URA triggered?

- URA triggered when real property is acquired or persons displaced as a direct result of acquisition, demolition & rehab as part of a Federally-funded project
- Applies to government agencies, private organizations & others

- Three Different Types:
 - Grantee doesn't have eminent domain powers (e.g., nonprofit organization)
 - Purchases from government agency where buyer does not have eminent domain powers over that agency (i.e., local government can't use eminent domain over Federal govt.)
 - Grantee has eminent domain powers but won't use in any circumstance

Documenting Voluntary Acquisition

- Must notify the seller:
- Use correct form based on power of eminent domain
- Seller not eligible to receive relocation assistance
- Provide an estimate of fair market value
- Appraisal not required, but determination made by someone with knowledge of real estate market
- Send notice before execution of the sales contract
- If option is secured before applying for funds, entity must allow owner out of sales contract if so inclined



Green & Resilient Building Practices



EQUAL HOUSING OPPORTUNITY

Topics

1. Introduction
2. CPD Green Building Retrofit Checklist
3. Green & Resilient Building Standards
4. Compliance and Monitoring





References:

- Federal Register notice [87 FR 31636](#)
- DLG CDBG-DR Subrecipient Manual Chapter 11

- HUD's goal is to improve long-term community resilience by fully integrating resilience planning and hazard mitigation activities into disaster recovery.
- This approach will better ensure the revitalization of the community long after the recovery projects are complete.
- Mitigation measures are those activities that increase resilience to future disasters and reduce or eliminate the long-term risk of loss of life, injury, and damage to property.
- Grantees must incorporate mitigation measures when carrying out activities to construct, reconstruct, or rehabilitate residential or non-residential structures with CDBG-DR funds.

- Grantees must demonstrate that they have incorporated mitigation measures into CDBG-DR activities as a construction standard to create communities that are more resilient to the impacts of recurring natural disasters and the impacts of climate change.
- When determining which mitigation measures to incorporate, grantees should design and construct structures to withstand existing and future climate impacts expected to occur over the service life of the project.

Green Building Practices

- To further the goals of resilience and mitigation, HUD adopted requirements for housing rehabilitation and new construction
- The requirements work to blend cost effective construction with long-term reliability
- They include both construction techniques and materials
- Energy efficiency remains at the core of the green building strategy



CDBG-DR Federal Register Notice

Two sets of requirements based on type of rehabilitation to *residential* structures:

1. Green and Resilient Building Standards & Energy Efficient Standards:

- New construction
- Reconstruction
- Rehabilitation of substantially damaged residential buildings

2. CPD Green Building Retrofit Checklist

- Rehabilitation of *non-substantially* residential buildings



Substantial damage means damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred



CPD Green Building Retrofit Checklist



CPD Green Building Retrofit Checklist



Rehabilitation of non-substantially damaged residential buildings

CPD Green Building Retrofit Checklist

CPD-Green-Building-Retrofit-Checklist

Description	Developed to incorporate resilient and energy efficient building techniques into rehabilitation projects.	
Building Type(s)	Multi-family and single-family projects	
Project Type	Non-substantial Rehab	
Energy Efficiency Standards	ENERGY STAR appliances	
Timing	Construction	
Subject Areas	<ul style="list-style-type: none">• Water Conservation Measures• Energy Conservation Measures	<ul style="list-style-type: none">• Indoor Air Quality

CPD Green Building Retrofit Checklist



- Green Building and Resilient Building Standards are **not** used
- Instead, grantees must follow the guidelines specified in the HUD ***CPD Green Building Retrofit Checklist***
- Incorporates both green building and energy efficiency practices
- Grantees must apply these guidelines to the **extent applicable** for the rehabilitation work undertaken

CPD Green Building Retrofit Checklist

The Checklist includes specific measures for water conservation, energy efficiency, and indoor air quality:

- When replacing or repairing bathrooms, kitchens, and laundry rooms, use materials that have durable, cleanable surfaces.
- Products and appliances replaced as part of the rehabilitation work must be ENERGY STAR-labeled, WaterSense-labeled, or Federal Energy Management Program (FEMP).
- When replacing windows, install geographically appropriate ENERGY STAR rated windows.
- When using Adhesives and Sealants utilize Low/No VOC products.
- When replacing surfaces such as drywall use mold resistant products.

CPD Green Building Retrofit Checklist

- Subrecipients must follow the [checklist](#) in its entirety and apply all measures within the Checklist to the extent applicable to the particular building type being retrofitted.
- The phrase “when replacing” in the Checklist refers to the mandatory replacement with specified green improvements, products, and fixtures **only** when replacing those systems during the normal course of the retrofit.
- DLG does not expect the subrecipient to attempt to bring into compliance items which are outside of the rehabilitation scope.

11-2 CDBG-DR HUD CPD Green Building Retrofit Checklist

The CPD Green Retrofit Checklist promotes energy efficiency and green building practices for residential retrofit projects. Grantees must follow the checklist in its entirety and apply all measures within the Checklist to the extent applicable to the particular building type being retrofitted. The phrase “when replacing” in the Checklist refers to the mandatory replacement with specified green improvements, products, and fixtures only when replacing those systems during the normal course of the retrofit.

Note: CPD recognizes that not all elements of the checklist will be applicable in all climates and geographies. Because of this, CPD will consider exceptions to these standards based on climate or geography, if a grantee identifies the specific standards that aren't applicable, including offering alternatives if available, and CPD's Office of Environment and Energy accepts the grantees request.

WATER AND ENERGY CONSERVATION MEASURES

- Water-Conserving Fixtures**
Install or retrofit water conserving fixtures in any unit and common facility, use the following specifications: Toilets-- 1.28 gpf; Urinals-- 0.5 gpf; Showerheads-- 2.0 gpm; Kitchen faucets-- 2.0 gpm; and Bathroom faucets-- 1.5gpm. [gpf = gallons per flush; gpm = gallons per minute]
- ENERGY STAR Appliances**
Install ENERGY STAR-labeled clothes washers, dishwashers, and refrigerators, if these appliance categories are provided in units or common areas.
- Air Sealing: Building Envelope**
Seal all accessible gaps and penetrations in the building envelope. If applicable, use low VOC caulk or foam.
- Insulation: Attic** (if applicable to building type)

For attics with closed floor cavities directly above the conditioned space, blow in insulation per manufacturer's specifications to a minimum density of 3.5 Lbs. per cubic foot (CF). For attics with open floor cavities directly above the conditioned space, install insulation to meet or exceed IECC levels.
- Insulation: Flooring** (if applicable to building type)
Install \geq R-19 insulation in contact with the subfloor in buildings with floor systems over vented crawl spaces. Install a 6-mil vapor barrier in contact with 100% of the floor of the crawl space (the ground), overlapping seams and piers at least 6 inches.
- Duct Sealing** (if applicable to building type)

In buildings with ducted forced-air heating and cooling systems, seal all penetrations of the air distribution system to reduce leakage in order to meet or exceed ENERGY STAR for Homes' duct leakage standard.
- Air Barrier System**
Ensure continuous unbroken air barrier surrounding all conditioned space and dwelling units. Align insulation completely and continuously with the air barrier.
- Radiant Barriers: Roofing**
When replacing or making a substantial repair to the roof, use radiant barrier sheathing or other radiant barrier material; if economically feasible, also use cool roofing materials.



Green & Resilient Building Standards



Green & Resilient Building Standards



New construction



Reconstruction - demolishing a housing unit and rebuilding it on the same lot in substantially the same manner



Rehabilitation of substantially damaged residential buildings including changes to structural elements such as flooring systems, columns, or load-bearing interior or exterior walls

Green & Resilient Building Standards

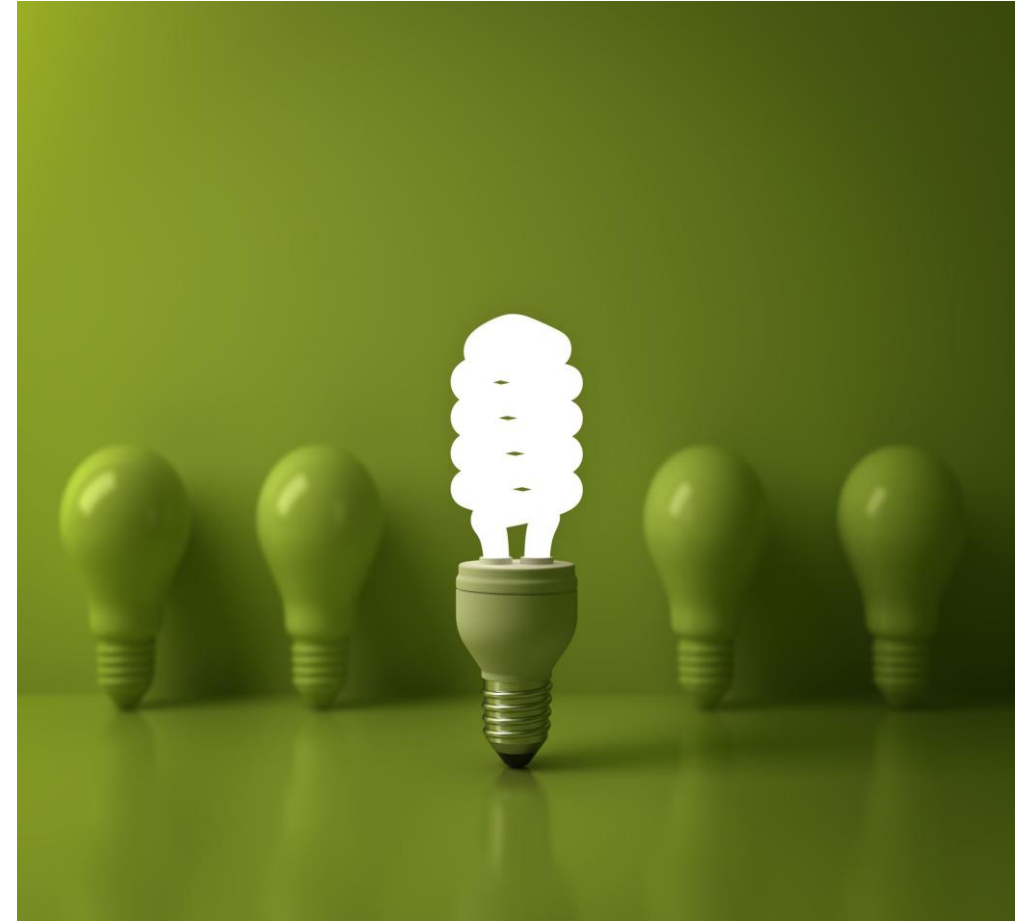


Industry recognized standards for grantees to choose:

- Enterprise Green Communities
- LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development);
- ICC-700 National Green Building Standard or National Green Building Standard Green+Resilience
- Living Building Challenge

Energy efficiency standards

- Additionally, all such covered construction must achieve a minimum energy efficiency standard:
 - ENERGY STAR (Certified Homes or Multifamily High-Rise);
 - DOE Zero Energy Ready Home; o EarthCraft House, EarthCraft Multifamily;
 - Passive House Institute Passive Building or EnerPHit certification from the Passive House Institute US, International Passive House Association;
 - Greenpoint Rated New Home, Greenpoint Rated Existing Home;
 - Earth Advantage New Homes



Enterprise Green Communities

Targets buildings and neighborhoods which provide affordable housing. The rating system is points based as well as containing mandatory items. Site condition requirements regarding services may be problematic in areas where municipal services are lacking, or where transit services are sparse. Applying the scoring checklist against code and common program building practices shows that while the mandatory items may be difficult to meet, the scoring itself is generous and can easily exceed the 40-point minimum.



Enterprise Green Communities

Enterprise Green Communities

Description	Developed to combine the expertise of leading housing and green building practitioners into a clear, cost-effective framework for all affordable housing development types	
Building Type(s)	Multi-family and single-family projects	
Project Type	New Construction, Substantial Rehab, Moderate Rehab	
Energy Efficiency Standards	Mandatory for New Construction: <i>Energy Star</i> Near Zero Certification- <i>DOE ZERH</i> and/or <i>PHI Classic</i> or <i>PHIUS</i>	
Timing	Pre and Post Construction	
Subject Areas	<ul style="list-style-type: none"> • Integrative Design • Location + Neighborhood Fabric • Site Improvements • Water Conservation 	<ul style="list-style-type: none"> • Operating Energy • Resilient Materials • Healthy Living Environment • Operations, Maintenance, and Resident Engagement

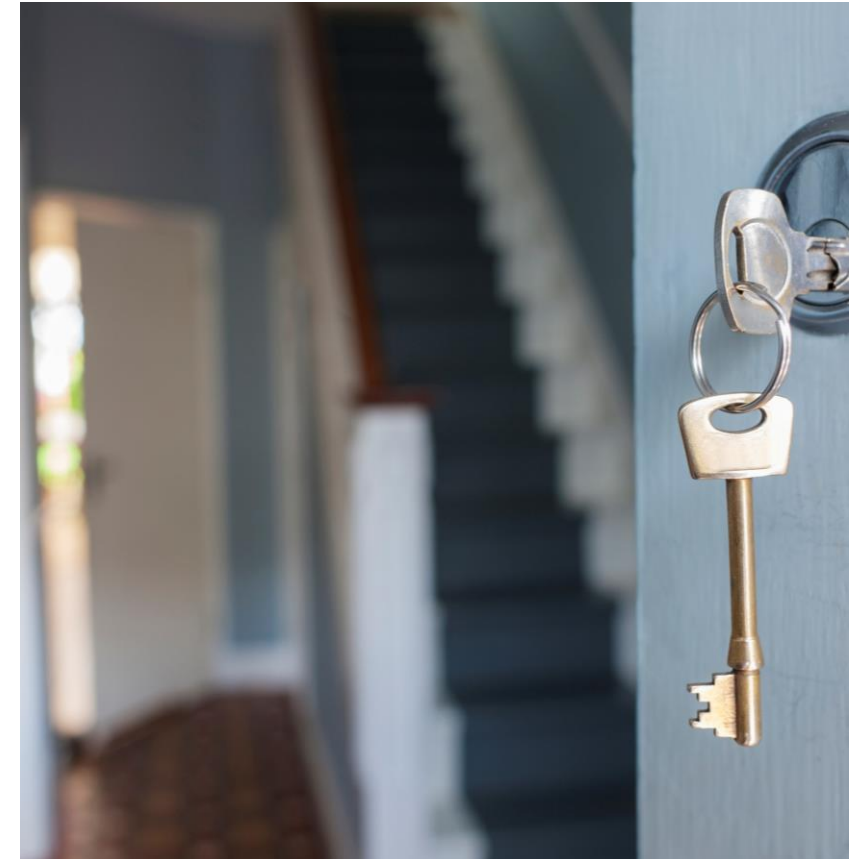


A design tool rather than a performance-measurement tool and focuses on energy modeling rather than actual energy consumption. The rating system is points based as well as containing mandatory items. LEED's "Certified" level is a hybrid approach similar to that of ICC-700's "Certified Compliance Path" with a minimum user-selected score of 40. Using this checklist, anticipated program standards and building practices yield a score of 33, leaving additional requirement selections to be made.

LEED

Description	A series of rating systems aimed at increasing the environmental and health performance of building' sites and structures and of neighborhoods.	
Building Type(s)	Commercial, Industrial, Mixed Use, and Residential	
Project Type	New Construction, Existing Buildings, and Additions	
Energy Efficiency Standards	Energy Star	
Timing	Pre and Post Construction	
Subject Areas	<ul style="list-style-type: none"> • Location and Transportation • Sustainable Sites • Water Efficiency • Energy and Atmosphere 	<ul style="list-style-type: none"> • Materials and Resources • Indoor Environmental Quality • Innovation • Regional Priority

It is essentially an alternative code level. The certification is score based with different levels of achievement or one can adopt the alternative checklist, or “Certified Compliance Path”, that is not score based. Most of the requirements included in this “Compliance Path” are relatively easy to achieve.



ICC-700 National Green Building Standard

ICC-700 National Green Building Standard or National Green Building Standard Green + Resilience

Description	A rating and certification system that aims to encourage increased environmental and health performance in residences and residential portions of buildings.	
Building Type(s)	Multi-family & Mixed-use Buildings, Single-Family, and Existing Buildings	
Project Type	New Construction, Remodeling and renovation projects, Residential Developments, and Mixed-use Buildings	
Energy Efficiency Standards	Mandatory for New Construction: <i>Energy Star</i> Near Zero Certification- <i>DOE ZERH</i> and/or <i>PHI Classic</i> or <i>PHIUS</i>	
Timing	After framing before drywall and after construction is complete	
Subject Areas	<ul style="list-style-type: none"> • Lot Design and Development • Resource Efficiency • Energy Efficiency 	<ul style="list-style-type: none"> • Water Efficiency • Indoor Environmental Quality • Homeowner Operation and Maintenance

Living Building Challenge



The goal of the Living Building standard is making the structure net-zero in water and energy use. This standard also foregoes the scoring system and replaces it with a highly restrictive mandatory checklist. This standard is one of the most difficult to design for and achieve.

Living Building Challenge

Living Building Challenge

Description	Developed with two goals: simplify the program so the level of effort of team is better aligned with their impacts; and to fill the gap between the highest levels of mainstream green building certifications and entry point to the Living Building Challenge	
Building Type(s)	Single-Family Residential, Multi-Family Residential, Commercial, Institutional, and Medical + Laboratory	
Project Type	New Construction, Existing Buildings, and Interior Projects	
Energy Efficiency Standards	None specified	
Timing	12 months after construction is complete	
Subject Areas	<ul style="list-style-type: none">• Place• Water• Energy• Health + Happiness	<ul style="list-style-type: none">• Materials• Beauty• Equity

Each Standard has mandatory and non-mandatory components

Mandatory Components	ICC-700 National Green Building Standard	Enterprise Green Communities	LEED	Living Building Challenge
Site Selection Requirements		X		
Envelope Inspection	X	X		
Blower Door Testing	X	X	X	
Broadband Service Availability		X		
Kitchen Exhaust Fully Ducted	X	X	X	
Duct Testing	X	X	X	
Zone 1 Radon System	X	X	X	
Alternative Compliance Method	X			

- Choose the Standard
- Fill out attachment 11-1 Project Standards Selection Form
- Submit to DLG
- Document in each project file

**Form 11-1 CDBG-DR
Green and Resilient Building Standards Selection**

CDBG-DR funding allocated to the Commonwealth of Kentucky must follow the Green and Resilient Building Standards when carrying out activities to construct, reconstruct, or rehabilitate residential structures with CDBG-DR funds as part of activities eligible under 42 U.S.C. 5305(a). This applies to all new construction and reconstruction (i.e., demolishing a housing unit and rebuilding it on the same lot in substantially the same manner) of residential buildings and all rehabilitation activities of substantially damaged residential buildings, including changes to structural elements such as flooring systems, columns, or load-bearing interior or exterior walls.

Program policy and guidelines should be consulted prior to selecting from the categories below. While the Federal Register notice details the ability for the recipient to make a selection from each of the two categories, Program policy and guidelines may dictate which options are explicitly required. Additionally, each project file must identify which of these Green and Resilient Building Standards will be used, however it is not required to use the same standards for each project or building.

Note: DLG approval is required if deviating from a requirement specified in Program policy and guidelines or when selecting the 'other equivalent' option(s).

Industry-Recognized Certification (Select One):

- LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development)
- Enterprise Green Communities
- ICC-700 National Green Building Standard Green+ Resilience
- Living Building Challenge
- Any other equivalent comprehensive green building program acceptable to HUD (Describe the equivalent below)

Energy Efficiency Standard (Select One):

- ENERGY STAR (Certified Homes or Multifamily High-Rise)
- DOE Zero Energy Ready Home
- EarthCraft House, EarthCraft Multifamily
- Passive House Institute Passive Building or EnerPHit certification from the Passive House Institute US (PHIUS)
- International Passive House Association
- Greenpoint Rated New Home, Greenpoint Rated Existing Home (WholeHouse or Whole Building label)
- Earth Advantage New Homes
- any other equivalent energy efficiency standard acceptable to HUD (Describe the equivalent below)

Requestor Printed Name	Title
Requestor Signature	Date
DLG Approver Name	Title
DLG Approver Signature	Date

Award

- The Green Building and Energy Efficiency requirements are acknowledged by submitting selection certification with their evidentiary material. The DLG project manager will request the form 11-1 for New Construction, Reconstruction, & Substantial Rehabilitation. Your project manager will also assist you in understanding the requirements and additional documentation needed.

Housing Policy

- As discussed in this chapter, depending on the housing program different requirements will be met in terms of green and resilient building requirements. Interim monitoring and compliance will be listed in the individual housing policy.

Project Close-out

- At the completion of the project, as part of the required forms for close-out a final verification that green building requirements have been achieved per the program policy will be submitted to DLG. The project file needs to contain the final completed checklist for the applicable standard(s). Should an instance arise in which the project may be at risk of running afoul of the requirements, the subrecipient should contact DLG for further guidance.

Resource Links: Energy Efficient Standards

- In addition to the selection options above, the project must also meet one of the following minimum energy efficiency standards such as:
- ENERGY STAR (Certified Homes or Multifamily High-Rise). Program and compliance information can be found here: https://www.energystar.gov/sites/default/files/asset/document/ES%20Certified%20Homes%20QA%20Checklist_Rev%2012.pdf
- DOE Zero Energy Ready Home. Program and compliance information can be found here: <https://www.energy.gov/eere/buildings/doe-zero-energy-ready-home-zerh-program-requirements>
- EarthCraft House, EarthCraft Multifamily. Program and compliance information can be found here: <https://earthcraft.org/resources/>
- Passive House Institute Passive Building or EnerPHit certification from the Passive House Institute US (PHIUS), International Passive House Association. Program and compliance information can be found here: <https://www.phius.org/resources/tools-and-support/certification-support>
- Greenpoint Rated New Home, Greenpoint Rated Existing Home (Whole House or Whole Building label). Program and compliance information can be found here: <https://www.builditgreen.org/greenpoint-rated/documents-checklists>
- Earth Advantage New Homes, <https://www.earthadvantage.org/resources/new-homes.html>
- *Or any other equivalent energy efficiency standard acceptable to HUD.*

Resource Links – Building Standards

- Each project must meet an industry-recognized standard that has achieved certification under one of the following:
- Enterprise Green Communities. Program and compliance information can be found here: <https://www.greencommunitiesonline.org/checklist>
- LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development). Program and compliance information can be found here: <https://www.usgbc.org/resources?LEED+Resources=%5B%22Checklists%22%5D>
- ICC–700 National Green Building Standard or National Green Building Standard Green+Resilience. Program and compliance information can be found here: <https://www.iccsafe.org/building-safety-journal/bsj-hits/2020-national-green-building-standard-now-available-for-free-download/>
- Living Building Challenge. Program and compliance information can be found here: <https://living-future.org/lbc/resources/>
- *Or any other equivalent comprehensive green building program. DLG would need to pre-approve the standard.*
- CPD-Green-Building-Retrofit-Checklist (for non-substantial rehabilitation): checklist can be found here: <https://www.hud.gov/sites/dfiles/CPD/documents/CPD-Green-Building-Retrofit-Checklist.pdf>

Questions





Affordable Housing Long Term Compliance



Affordable Units

- CBDG Housing National Objective: 51% ratio of affordable/market rate units. The required number of affordable units are as follows:

Number of Total Units in Property	Number of Units that must be affordable to LMI Households
1	1
2	1
3	2
4	3
5	3
6	4
7	4

- If a landlord determines they would no longer like to rent the units at an affordable rate during the period of affordability they will be in default of the program rules and require repayment of the CDBG-DR funds.

Rental Period of Affordability

- Rental units must maintain affordability periods in accordance with the KCDBG-DR program standards. DLG has adopted the HOME affordability standards for DR funded housing activities which will be occupied by LMI households.

KCDBG-DR Activity	KCDBG-DR Investment Per Unit	Length of Compliance/Affordability period
Rental housing acquisition and/or rehabilitation	Less than \$15,000	5 years
	\$15,000 - \$40,000	10 years
	\$40,000+	15 years
New construction of rental housing	Any \$	20 years
Refinancing of rental housing	Any \$	15 years

- DLG has adopted the HOME definition for affordable rents.
- Initial rents will be the maximum rents that conform to High HOME rents
- HOME rents set by HUD annually to not exceed 30 percent of the adjusted income of a family at 65% AMI adjusted by # of bedrooms.
- Subrecipients will be required to get a rental report from each landlord during the affordability period. The report will provide tenant information, name and household composition, including income, race and ethnicity. The report will also provide the total amount of rent charged for the unit.

Single Family Construction Long Term Affordability Requirements

Total CDBG-DR Direct Assistance Per Unit (Recapture Method)	Length of Compliance/Affordability period
Less than \$15,000	5 years
\$15,000 - \$40,000	10 years
\$40,000+	15 years

Recapture

- Recapture (“sell to anyone, but pay back the subsidy”)
- Instead of long-term restrictions on the unit, this method requires that if the unit is sold prior to end of affordability period a portion of funds will be repaid to DLG based on the recapture methodology selected
- The subsequent buyer will not be required to be low-income buyer
- Term of the affordability period based on total direct subsidy to homebuyer
- Does not include CDBG-DR amounts to subsidize development when that cost exceeds market - known as development subsidy

Recapture Example

- \$200,000 in CDBG-DR development assistance to developer in partnership with subrecipient for unit development (additional funds may be provided for infrastructure) of affordable housing
- Unit sold at market value
- Of this, \$20,000 left in deal as affordability loan for homebuyer
- Total direct subsidy: \$20,000
- Affordability period: 10 years

Maximum Subject to Recapture

Sale Price

- Superior Non-CDBG-DR Debt
- Sellers Closing Costs
- = Net proceeds

Example

\$250,000 Sale three years later

-\$195,000 Wells Fargo mortgage balance

-\$ 15,000 Sellers portion of closing costs

= \$ 40,000 net proceeds available for recapture

What Is Subject to Recapture?

- Buyer pays back some or all “direct subsidy to the homebuyer”
- Amounts provided directly to the buyer:
 - Downpayment / closing cost assistance
 - Subsidized loan
 - AND
 - Amounts that write cost below market
- May sell to any willing buyer at subsequent sale at any price

Income Eligibility - Determine Level of Review

- Grantees must document that each household meets income eligibility requirements
- Section 8 definition of income used for determination
- Section 8 regulations in 24 CFR Part 5
- Definition means gross amount of income for *all adult household members anticipated to be received in coming 12 months*

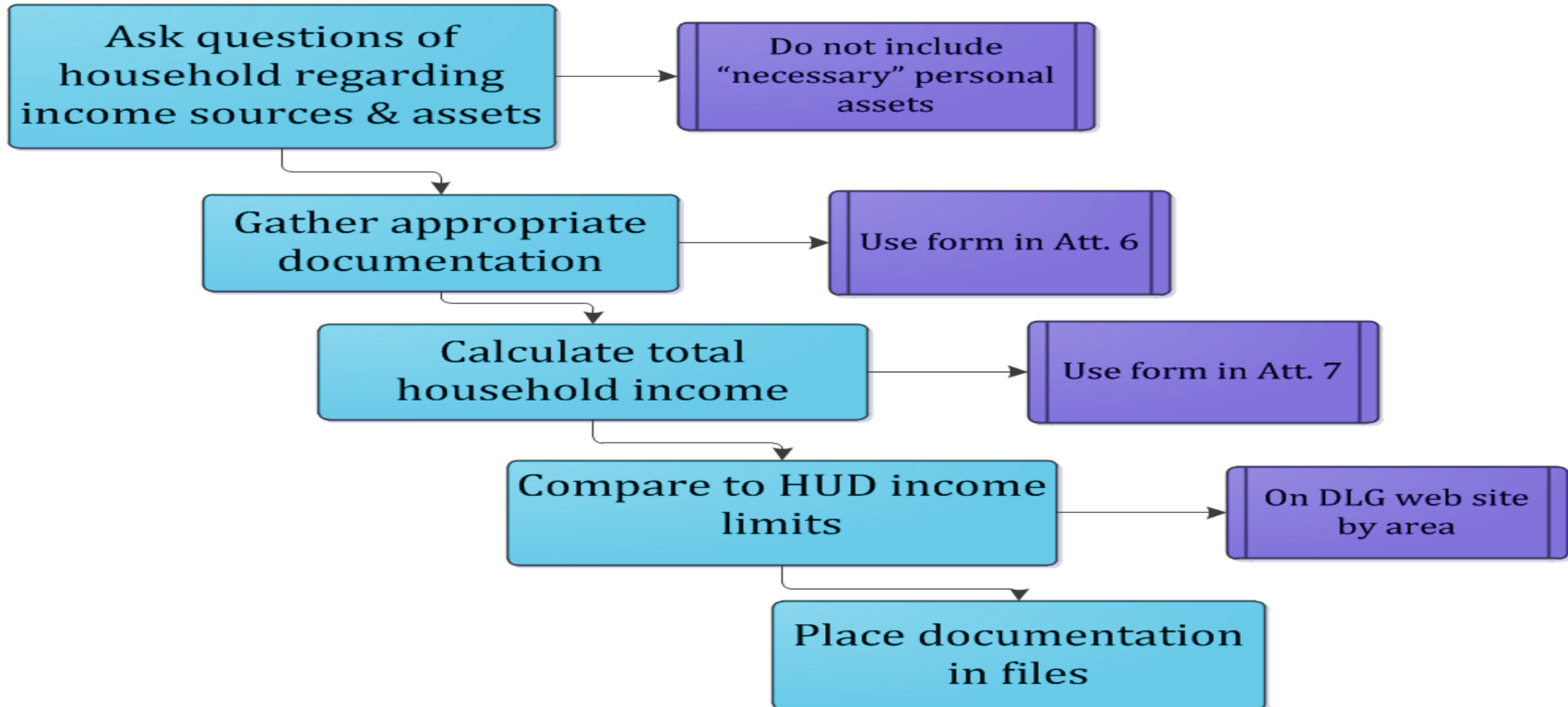
HUD Income Calculator



<https://www.hudexchange.info/incomecalculator/>

- Grantees must document that each household meets income eligibility requirements
- Section 8 definition of income used for determination
- Section 8 regulations in 24 CFR Part 5
- Definition means gross amount of income for all adult household members anticipated to be received in coming 12 months

Income Eligibility Process



Key Steps in LBP Compliance Process



DISCLOSE

- Pamphlet



LOOK

- Enhanced visual assessment
- Risk assessment
- Inspection



TREAT*

- Standard Treatments
- Interim controls
- Hazard abatement



CLEAR*

- Clearance



TELL

- Notification

Summary Chart: Rehabilitation (Subpart J)

	≤ \$5,000	\$5,000 - \$25,000	> \$25,000
Approach to Lead Hazard Evaluation and Reduction	Do no harm (1)	Identify and control lead hazards (3)	Identify and abate lead hazards (4)
Notification	Yes	Yes	Yes
Lead Hazard Evaluation	Paint Testing (of surfaces to be disturbed)	Paint Testing and Risk Assessment	Paint Testing and Risk Assessment
Lead Hazard Reduction	Repair surfaces disturbed during rehabilitation	Interim Controls	Abatement (Interim Controls on exterior surfaces not disturbed by rehabilitation)
	Lead safe work practices Clearance	Lead safe work practices Clearance	Lead safe work practices Clearance
Ongoing Maintenance	For HOME rental only	For HOME rental only	For HOME rental only
EBLL Requirements	No	No	No
Options	Presume lead-based paint; Use safe work practices on all surfaces	Presume lead-based paint and/or hazards; Use standard treatments	Presume lead-based paint and/or hazards; Abate all applicable surfaces



Questions

