



COLORADO

Community Development
Block Grant – Disaster Recovery

Summary and Response of Public Comments

The public comment period for Action Plan 7 began August 17, 2022 and ended September 16, 2022. This public comment period is greater than the 14-calendar day public comment period requirement set in [Federal Register, Vol. 87, No. 100, May 24, 2022](#).

The purpose of the public comment period is to for increased transparency and to receive additional input from the public prior to submitting the plan for approval. In addition to receiving comments on the plan, we also received a number of program specific questions not germane to the plan itself. Those questions were responded to individually.

General Program Questions

1. **Comment:** What does the term AMI stand for? This document is very lengthy and confusing. Please re-send it with definitions for all the abbreviations contained within. We need help bridging the gap of underinsurance we are facing.

Response: AMI is an abbreviation for 'area median income,' this is a statistic by the U.S. Department of Housing and Urban Development (HUD) for purposes of determining the eligibility of applicants for certain federal housing programs. DOLA will include a list of definitions in the final action plan.

2. **Comment:** Is there any chance of changing the guidelines to help everyone get back to where they were? This would be a community strengthening proposal as the entire community would be able to come home to the level of HOME they had. So many are considering leaving and building elsewhere because they cannot restore what they had spent lifetimes creating.

Response: The State is limited by both the small amount of funds available, and the HUD requirements set forth in 84 FR 31636, which requires the State to spend 70% of the grant on low and moderate income households.. With the limited funds available, the intent of the CDBG-DR funds are to help those who otherwise would not be able to rebuild to standard construction. The funds are not available to make everyone whole so we have to prioritize getting as many people back into a safe place to live as possible.

3. **Comment:**Why aren't any of the programs based on actual uninsured loss?

Response: The dollar amount of uninsured losses greatly exceeds the dollar amount of the grant funds awarded to the State. In order to make the best and responsible use of taxpayer dollars, the program attempts to provide enough resources for households, particularly those on the lower end of the income spectrum, with the resources they need to return to a safe home.

4. **Comment:**If the plan is modified, will there be another public comment period and HUD approval process?

Response: The state will have to complete another public comment and HUD approval process if there is an substantial change to the program such as:

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- Any change to the funded portions of the application that HUD determines, based generally on the guidelines of the FR (as adjusted for HUD's scaling and scoping of the award), would present a significant change to the grantee's capacity to carry out the grant (including loss of a partner without addressing lost capacity through replacement or contingency plan identified in the application);
 - Any change to the funded portions of the application that HUD determines, based generally on the guidelines of the FR (as adjusted for HUD's scaling and scoping of the award), would undermine the grantee's soundness of approach (including the benefit cost analysis);
 - Any change to the Most Impacted and Distressed target area(s) (a revised area must meet Most Impacted and Distressed threshold requirements in the FR , including Appendix G to the NOFA);
 - Any change in program benefit, beneficiaries, or eligibility criteria, and the allocation or reallocation of more than 10 percent of the grant award;
 - Any change to the leverage that was pledged and approved in the grantee's grant agreement;
 - The addition or deletion of an eligible activity
5. **Comment:** I am upset about the means testing for the grant but understand since its HUD money it has to be used this way. There are many of us with higher incomes still significantly under-insured who need help and don't want to take out a loan if we can help it.

Response: The means testing is necessary in order to target very limited resources to those who need it the most in order to complete their rebuild.. If you do decide you need a loan with favorable interest rates, loans will be available for higher income households through the States Disaster Resilience Rebuilding program. Please visit <https://cdola.colorado.gov/funding-programs/disaster-resilience-rebuilding-program> for more information.

6. **Comment:** Do you plan to publish the action plan including all comments received, and which suggestions did not end up integrated into the action plan? If not, could you share something like that with the direct partners so we can see if we can utilize that information in other ways?

Response: Yes, we will publish the comments and responses in an organized manner by topic area. We will also keep an FAQ on the website which will take some of the types of questions from this public comment period as well as programmatic questions.

Housing Program Questions

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1. **Comment:** How will this help our family specifically when we're under insured to rebuild our home? Could be anywhere from \$200,000 to \$400,000 short.

Response: The Home Rehabilitation and Rebuilding Program will fund eligible repair, reconstruction, rehabilitation, and replacement costs, including additional costs to comply with Federal, State, and local construction standards, such as replacing on-site residential infrastructure, complying with green building standards, and ensuring that homes are accessible for individuals living with disabilities and senior residents. Eligible costs also include elevation, fire hardening, and other program-required mitigation costs that will help protect homes from natural hazards faced in the fire-impacted communities. There will be loans available for higher income households through the Disaster Resilience Rebuilding Program. Please visit <https://cdola.colorado.gov/funding-programs/disaster-resilience-rebuilding-program> for more information.

2. **Comment:** Typically, the certification programs required by HUD (EnergyStar, PassiveHouse, etc) don't receive final certification until the home is complete. Does this mean funds won't be distributed until construction is complete?

Response: Payments for reconstruction activities will work the same as a construction loan from a bank. Payments will be made as construction milestones are completed and invoiced.

Use of Funds Questions

3. **Comment:** Funds for unincorporated Boulder County?

Response: Yes, the CDBG-DR funds are available for use in unincorporated Boulder County.

4. **Comment:** Under section "Eligible Expenses and Estimated Rebuilding needs" it states that if a homeowner expands the footprint s/he is not eligible for funding. Some owners want to build a ranch style home to age in place. A ranch will automatically have a larger footprint due to one floor living, so none of these owners will be eligible? This limitation of funds seems unfair, not equitable to older owners. (Footprint or total finished living space?)

Response: This is a limitation of the CDBG-DR grant program, which specifically states in 84 FR 31662: "For rehabilitation and reconstruction costs, grantees may only charge costs for activities completed within the same footprint of the damaged structure, sidewalk, driveway, parking lot, or other developed area." For special cases such as this, the applicant should still apply and we will seek to serve them with an alternate funding source that does not have this restriction. None of our programs, however, can be used to 'upsized' to a bigger home.

5. **Comment:** I hope you can increase the grant amounts. I, like so many neighbors, am underinsured but hundreds of thousands of dollars. Even with the SBA disaster loans I still need to pay out of pocket about \$150,000- \$200,000





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Response: Thank you for the question and concern. The original cap was due to the limited amount of funds available., However, we concur with your assessment and worry that, particularly for low and moderate income households, the \$50,000 max award will not be enough to enable impacted households to rebuild in place. Therefore we are increasing the maximum grant award to \$100,000 for those at 80% AMI or less and increasing it proportionally for the other income tiers.

6. **Comment:** The funds should be equally distributed amongst those of us that had a total loss, regardless of household income. Every person is entitled to that money.

Response: Lower income households are at much greater risk of not having the resources available to rebuild their lives. For this reason, it is a federal requirement as indicated in 84 FR 31636 by HUD, DOLA is required to spend that at least 70% of the CDBG-DR funds go to households that are at 80% AMI or below.

7. **Comment:** How much funds will be allocated to renters who lost their homes and all their possessions?

Response: DOLA has currently allocated \$600,000 for small rental rehabilitation projects with the intent of bringing making more rental stock available. If deemed that more resources are needed, the State can complete an amendment process to re-allocate funds from other CDBG-DR programs to the rental program.

8. **Comment:** Does this mean a low income resident can get \$100k-50k from a grant, \$50k from a loan?

Response: . A low income or moderate income resident (at 80% or less of the Area Media Income) could conceivably receive the max award for a grant and the max award for a loan which would total \$100,000. However, the total award is also constrained by the remaining gap. Additionally, the loan might be constrained by other factors such as the debt to income ratio of the household.

9. **Comment:** Will any help come to the fire survivors trying to rebuild, as we're underinsured?

Response: Yes, the Housing Rehabilitation and Reconstruction Program, and the Small Rental Rehabilitation and Reconstruction Program will focus on rebuilding.

10. **Comment:** Can we participate in recovering our monetary loss with this grant?

Response: It depends on the source of the monetary loss. The housing rehabilitation and reconstruction program can only assist with those losses directly associated with repairing or rebuilding your home.

Mitigation Questions

1. **Comment:** How will you organize & prioritize the projects you choose to fund in the area of wildfire preparedness?

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Response:

The Long Term Recovery Working Group (LTRWG) will establish an Advisory Committee working group to identify and prioritize mitigation projects informed by the approved local hazard mitigation plans, other local priorities and in consultation with local government partners and the Division of Homeland Security and Emergency Management.

2. **Comment:**For efficiency's sake as well as visibility, will you look holistically at Boulder County to execute projects like public education instead of funding similar projects that would be executed within jurisdictions?

Response: Yes. The purpose of the Long Term Recovery Working Group (LTRWG) Advisory Committee is to work collaboratively across local government jurisdictions to prioritize and coordinate mitigation activities.

3. **Comment:**The WUI map shown in the Boulder County Hazard Mitigation Plan does not reflect the extent of the Marshall Fire footprint. Will all homes affected by the Marshall Fire be eligible for the Wildfire Housing Protection Program?

Response: The focus will be on mobile homes that remain vulnerable to high winds primarily due to inadequate anchoring in the Marshall Fire Area. Stick built homes will also be eligible to apply for grant funds for additional mitigation measures beyond adopted codes.

