

# US Dept. of Housing and Urban Development

Implementing CDBG-R  
Funding under  
the Recovery Act  
June 10, 2009

# CDBG-R Overview

- Purpose of ARRA
- Responsible Spending & Prohibitions
- Application & Field Office Reviews
- Reporting Requirements
- Implementation Considerations

# Responsible Use of CDBG-R

- Activities must be eligible and meet a national objective
- Activities should address purpose of the Recovery Act
- Grantees must ensure responsible spending
- Grantees must adhere to transparency and reporting requirements

# Responsible Use

Activities Should Address the Recovery Act by:

- Preserving and creating jobs and promoting economic recovery
- Assisting those most impacted by the recession
- Providing investment needed to increase economic efficiency

# Responsible Use

- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits
- Minimizing or avoiding reductions in essential services
- Fostering energy independence

# Responsible Use

- Funds may be used in conjunction with other funding as necessary to complete projects
- However, tracking and reporting must be separate to meet the reporting requirements of the Recovery Act

# Application/Review Process

- Local governments' plans were due June 5
- States Plans are due June 29, 2009
- HUD Will Review Plans for Responsible Spending
- Spreadsheets for Proposed Activities To Be Posted on HUD Website

# Review Process and Next Steps

- Expedited Review by Field Office
- HUD approves amendment or returns to grantee for changes
- Grant agreement similar to CDBG with additional award terms relevant to the Recovery Act
- Once approved, CDBG-R funds will be placed in the Line of Credit for drawdown

# Reporting

- Section 1512 of Recovery Act
- Federal Funding and Transparency Act of 2006 (FFATA)
- OMB Interim guidance - April 1 & April 23, 2009 Federal Register
- Data requirements & frequency of entry
- Quarterly Reports
- Requirements subject to change in August

# Reporting Platform

- Not all details determined—
  - Integrated Disbursement and Information System (IDIS)
  - ARRA reporting system – RAMPS
- Re-engineered IDIS
- Back-filling of data may be required
- Timely and accurate data on a quarterly basis

# Reporting

## Anticipated Data Elements

- CDBG elements plus
  - All jobs created/ retained
  - Jobs by category—existing categories
- Subrecipient & Contractor information
- Congressional Districts
- HUD will populate some data fields for grantees

# Reporting

## Data Elements-General

- General items—name, grant number, tax identification number, account number, other grant information
- Data Universal Numbering System (DUNS) number and Central Contractor Registration
- HUD will populate other areas- CFDA, reporting periods, etc.

# Reporting

## Data Elements-Project Activity

- Number of jobs created or retained, job categories, performance measures, full-time equivalents
- Infrastructure Projects
  - Leverage Information
  - Rationale for funding activity (ARRA purposes)
  - Contact information

# Reporting: Sub-Awardees & Subcontractors

- Who is a sub-awardee?
- Who is a subcontractor?
- First tier subcontract or sub-award greater than \$25,000
- Must have & report DUNS number, CCR number, subrecipient name, type, location
- Information on the compensation of officers, if applicable

# Reporting

## Data Elements

- Sub-Awardees & Subcontractors
- Aggregate awards less than \$25,000
- Awards to individuals (total)

# Implementation

## Reminder of Recovery Act Provisions

- Prioritize activities that can be under contract within 120 days of enactment/receipt of funds
- Use funds to maximize job creation and economic benefit
- No Recovery Act funds for aquariums, casinos, gambling establishments, golf courses, swimming pools, zoos.

# Implementation

## Reminder of Recovery Act Provisions

- All iron, steel and manufactured goods for public works must be produced in the U.S.
- Reporting on jobs created/retained for all activities (not just economic development activities)

# Program Administration:

- Statutory Caps will be based on expenditures for this grant by itself, separate from regular CDBG:
  - 10% for planning and administration
  - 15% for public services
  - 70% overall benefit to low/moderate income persons
- Any Program Income will go to the “regular” CDBG program
- Cannot use CDBG-R with Section 108 Loan Guarantees or for float-funded activities

# Implementation

- All CDBG-R funds must be expended by September 30, 2012
- No specific deadline to obligate funds
- Entitlement CDBG Timely Expenditure standards do not apply to CDBG-R
- State CDBG Timely Distribution standards do not apply to CDBG-R

# Getting Going Quickly

- Environmental Review
- Contracting & Procurement
- Pre-Award Costs
- Data Entry & Funds Drawdown

# Implementation: Environmental Review

- Requirements are the same as for regular CDBG
- Do not commit funds to any projects until the environmental review process has been successfully completed
- Begin the environmental review process quickly

# Implementation: Environmental

What if work is underway or completed?

- RISK- Projects that fail to achieve environmental clearance are ineligible
- May be able to use a pre-existing federal environmental review if no changes

# Implementation: Environmental

If the same responsible entity has successfully completed environmental review and neither the project nor environmental conditions have changed, additional HUD funding can be provided without a new review.

# Implementation: Environmental

- Your HUD Environment website:
- <http://www.hud.gov/offices/cpd/environment/index.cfm>
- Website includes the name, address and phone number for HUD's Field Environment Officers

# Labor Standards Implementation

- Section 1606 expands Davis Bacon coverage beyond regular CDBG provisions for all Recovery Act funding
- See Department of Labor All Agency Memo #207, issued May 29, 2009
- More details on federal labor standards can be found by visiting [www.hud.gov/offices/olr](http://www.hud.gov/offices/olr)

# Davis-Bacon Act Implementation for CDBG-R

- no 8-unit threshold
- Covers construction work over \$2000 on residential property of any size, including single-family properties
- No exclusion when CDBG-R funds are used only for soft costs (acquisition, architectural/engineering fees, equipment).
- No exemption for bona-fide volunteers

# Davis-Bacon Act Implementation for CDBG-R

- Section 1606 Davis-Bacon requirements do not apply retroactively to projects that were awarded or under construction prior to notice of Recovery Act funding; Davis-Bacon requirements apply as of the date of approval of Recovery Act assistance

# CDBG-R

- Grantee Presentations on Expediting Implementation of CDBG-R Funding

# CDBG-R

Question and answer period