



# COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY ACTION PLAN 2023

Action Plan Amendment No. 1



California Department of Housing and  
Community Development

Non-Substantial Amendment  
Effective Date: February 18, 2025



STATE OF CALIFORNIA 2023 CDBG-DR ACTION PLAN  
AMENDMENT 1

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**I. Background and Summary of Changes**

The U.S. Department of Housing and Urban Development (HUD) allocated \$115,022,000 in Community Development Block Grant-Disaster Recovery (CDBG-DR) funds to the State of California to support California’s unmet recovery needs related to the Federal Emergency Management Agency (FEMA) Major Disaster Declaration DR-4683 through the publication of the Federal Register, Vol. 88, November 27, 2023 (88 FR 82982). This allocation was made available through the Disaster Relief Supplemental Appropriations Act, 2023 (division B of Public Law 117-43) and allocates remaining funding made available through Public Law 117-32.

The California Department of Housing and Community Development (HCD) manages CDBG-DR funds in accordance with the goals and objectives set forth in the state’s initial HUD-approved Action Plan for 2023 disasters (“2023 CDBG-DR-Action Plan”).

This is a non-substantial Action Plan Amendment Number 1 (APA 1) that provides clarity, removes and modifies some provisions, and adds the projection of expenditures and outcomes to the Disaster Recovery Multifamily Housing Accelerator (DR-ACCEL) Program, Manufactured Housing Replacement and Elevation (MHRE) Program, and Migrant Resiliency Center Program (MRCP). This amendment will also change the current \$10 million threshold for substantial amendments to \$30 million, as articulated in the initial Action Plan.

Page numbers are provided with the proposed changes. Removed and replaced text updates have been made in the context of the named section within the action plan.

**Summary:**

Action Plan Amendment 1 (APA 1) will address changes in the following items:

- 1. Disaster Recovery Multifamily Housing Accelerator Program (DR-ACCEL):**  
Provides an update to the total funds available for awards, updates definitions in the scoring criteria, changes the methodology to establish affordable rent limits,

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and adds projection of expenditures and outcomes for the program.

2. **Substantial Amendment:** Edits in this section provide an update on the threshold increase for substantial amendment from \$10 million to \$30 million for addition or deletion of any CDBG-DR funded program, any funding change, or any change in the designated beneficiaries of the program.
3. **Manufactured Housing Replacement and Elevation Program (MHRE):** Edits in section modifies and removes provisions that are no longer applicable, clarifies household income, and subrecipient eligibility. It also updates the program allocation for each subrecipient to reflect the correct funding amount and adds projection of expenditures and outcomes.
4. **Migrant Resiliency Center Program (MRCP):** Modifies and removes provisions that are no longer applicable, updates the allocation to each subrecipient to reflect the correct funding amount, and adds projection of expenditures and outcomes.

## II. Action Plan Amendments

Text updates inserted made in the context of the section within the action plan are listed below.

### A. List of Changes

#### 1. 2. Unmet Needs Assessment

##### a. Housing Unmet Need

##### **Affordable Rents** (page 33)

The 2023 CDBG-DR Action Plan states that the Department is proposing to establish an accelerator program based on affordable rents at the annual high HOME rents for each applicable area. Instead, the rent limits will be based on Multifamily Tax Credit Subsidy Projects (MTSP) Regular Income and Rent Limits published by HCD annually for each county.

**Remove:** HCD is proposing to establish an accelerator program based on affordable rents at the annual high HOME rents for each applicable area.

**Replace:** HCD is proposing to establish an accelerator program based on affordable rents at the annual Multifamily Tax Credit Subsidy Projects (MTSP) Regular Income and Rent Limits published by HCD annually for each county, to determine rent limits.

#### 2. 3. General Requirements

##### b. Amendments

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## **Substantial Amendment** (page 136)

A change to this action plan is considered to be a substantial amendment if it meets the following criteria:

**Remove:** The allocation or reallocation of \$10,000,000

**Replace:** The allocation or reallocation of \$30,000,000

### **3. e. Protection of People and Property**

#### **Elevation Standards** (page 139)

The provision for Federal Flood Risk Management Standard (FFRMS) establishing the flood elevation for 500 – year floodplain is no longer applicable. MHRE is focusing on the Manufactured Housing Units (MHUs) in the 100-year floodplain with an elevation requirement of 2 feet above Base Flood Elevation (BFE) to meet the Federal Flood Risk Management Standard (FFRMS) requirement.

**Remove:** The structures will meet the required Federal Flood Risk Management Standard (FFRMS) for establishing the flood elevation for 500 – year floodplain.

**Replace:** The structures will be elevated at 2 feet above Base Flood Elevation (BFE) or higher if required by locally adopted regulations known as Design Flood Elevation (DFE) to meet the required Federal Flood Risk Management Standard (FFRMS).

**Remove:** Any building that has a total cost of repairs greater than 50 percent of the pre-disaster value of the property is considered substantially damaged and will require the entire home to be brought into code compliance.

**Replace:** Any building that has a total cost of repairs greater than 50 percent of the pre-disaster market value of the property is considered substantially damaged and will require the entire home to be brought into building code compliance, including compliance with the current local floodplain regulations.

### **4. e. Protection of People and Property**

#### **Flood Insurance Requirements** (page 139)

This section clarifies that the Low-and-Moderate-Income (LMI) homeowners who reside in a floodplain but are unlikely to be able to afford flood insurance, may receive CDBG-DR assistance if the household earns less than 120 percent AMI and has unmet recovery needs. Formerly, the provision for income was assessed as either 120 percent of the Area Median Income (AMI) or the national median. This change was made because the national median income is much lower than the 120 percent AMI in some of the higher income counties (which would disqualify some households).

**Remove:** The household earns less than 120% AMI or the national median and has unmet recovery needs.

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**Replace:** The household earns less than 120 percent AMI and has unmet recovery needs.

## 5. 4. Grantee Proposed Use of Funds

### b. Program Details

#### 2023 Manufactured Home Replacement and Elevation Program

##### Program Description (page 154)

This section clarifies the elevation of MHU's is set at 2 feet above 100-year flood levels

**Remove:** This amount is intended to cover the cost of purchase, installation, and elevation of MHU at 2' to 3' above 100-year flood levels.

**Replace:** This amount is intended to cover the cost of purchase, installation, and elevation of MHUs at 2 feet above Base Flood Elevation (BFE) or higher if required by locally adopted regulations known as Design Flood Elevation (DFE).

##### How Program will Promote Housing for Vulnerable Populations (page 156)

This section clarifies the minimum damage threshold, eligibility requirements, and elevation standards to ensure long-term sustainability and resiliency.

**Remove:** Residences must have experienced FEMA defined minor or major damage in the qualifying disaster. The 2023 flood damages had different levels of water damage inside the impacted units. A minor damage poses health and safety risk to disaster survivors and their housing needs especially for MHU.

**Replace:** Residences must have experienced at least \$3,000 in damage to the MHU from the qualifying disaster as evidenced by FEMA's Preliminary Damage Assessment. The \$3,000 damage level is the minimum threshold for HUD's definition of Minor-High damage.

**Remove:** Program will also pay for enhanced elevation of 2 or 3 feet above 100-year flood levels to ensure long-term sustainability and resiliency.

**Replace:** Program will also pay for enhanced elevation of 2 feet above Base Flood Elevation (BFE) or higher if required by locally adopted regulations known as Design Flood Elevation (DFE) to ensure long-term sustainability and resiliency.

### Program Eligibility

#### Owner-Occupants (page 158)

These changes clarify the minimum damage threshold and eligibility for LMI participants.

**Remove:** The MHUs must have experienced minor or major damage or been destroyed as a result of the qualifying disaster and located in the MID.

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**Replace:** The MHU must have sustained at least \$3,000 in damage from the qualifying disaster as evidenced by FEMA’s Preliminary Damage Assessment.

**Remove:** Must be current on property taxes or have been correctly permitted and permissible for the zoning area or local development standard.

**Replace:** The Applicant must have a valid lease for the lot on which the replacement MHU is installed and must be located in a Mobilehome Park that has an active permit to operate.

### Other Program Details

#### Priority Population (page 159)

In this section clarification is made to the minimum damage threshold and eligibility.

**Remove:** Based on the information gathered from Disaster Case Management Programs (DCMP’s) and local governments, the priority population for the program will be the owners of MHU that have minor or major damage from DR-4683.

**Replace:** Based on the information gathered from DCMP’s and local governments, the priority population for the program will be the owners of MHUs that have sustained at least \$3,000 in damage from the qualifying disaster as evidenced by FEMA’s Preliminary Damage Assessment.

#### Program Method of Distribution Description/Overview (page 159)

Clarification made to specify that local governments and nonprofit organizations are eligible to serve as subrecipients for the program.

**Remove:** HCD will distribute grant funds to beneficiaries through local governments (known as “subrecipients”) to administer the Program.

**Replace:** HCD will distribute grant funds to beneficiaries through subrecipients to administer the Program. Local governments and nonprofit organizations are eligible to serve as subrecipients within the program.

#### Program Method of Distribution Description/Overview (page 160)

This table is adjusted to show the correct regional allocations for each subrecipient to account for activity delivery costs that is crucial for program implementation.

**Remove:**

2023 Mid Counties	# of Damaged MHUs	Percent of Total Damaged MHUs	Local Allocation
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Santa Cruz	71	8%	\$2,531,030
Merced	176	20%	\$6,274,102
San Joaquin	236	27%	\$8,413,000
Ventura	94	11%	\$3,350,941
San Luis Obispo	328	35%	\$10,979,678
Total	905	100%	\$31,548,750

**Replace:**

2023 Mid Counties	# of Damaged MHUs	Percent of Total Damaged MHUs	Local Allocation
Santa Cruz	71	8%	\$2,521,615
Merced	176	20%	\$6,250,765
San Joaquin	236	27%	\$8,381,706
Ventura	94	11%	\$3,338,477
San Luis Obispo	328	35%	\$10,938,837
Total	905	100%	\$31,431,400

**Delivery** (page 160)

This section is updated to clarify the term subrecipients for all entities eligible to apply for program funds (i.e. local governments and nonprofit organizations).

**Remove:** Local jurisdictions will be responsible for outreach, implementation, and oversight of approved projects, with regular monitoring by the state.

**Replace:** Subrecipients will be responsible for outreach, implementation, and oversight of approved projects, with regular monitoring by the state.

**How Mitigation Set-Aside Activities Will Meet Definition of Mitigation** (page 160)

This section was updated to align with FEMA proposal for the FFRMS, MHU elevation requirement is set at 2 feet above 100-year flood levels.

**Remove:** Parallel to these FEMA driven approaches, the American Society of Engineers (ASCE) will be updating building code best practices, including incorporating requirements for different types of structures to be elevated to at least 1' above the BFE, and possibly incorporation of 2' or 3' elevation requirements to align with FEMA proposal for the FFRMS.

Therefore, HCD is requiring that replacement of MHU be 2' or 3' above base flood elevation and include proper anchoring of MHU. These two factors will mitigate impacts from future

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floods and help protect investment made by this grant.

**Replace:** Parallel to these FEMA driven approaches, the American Society of Engineers (ASCE) will be updating building code best practices, including incorporating requirements for different types of structures to be elevated to at least 1 foot above the BFE, and possibly incorporation of 2 feet elevation requirements to align with FEMA proposal for the FFRMS.

Therefore, HCD is requiring that replacement of MHUs be installed at least 2 feet above Base Flood Elevation (BFE) or higher if required by locally adopted regulations known as Design Flood Elevation (DFE) and include proper anchoring of MHUs. These two factors will mitigate impacts from future floods and help protect investments made by this grant.

## 6. Disaster Recovery Multifamily Housing Accelerator Program

### Program Eligibility

#### Threshold Criteria (page 164)

Clarification is made to the threshold criteria to be consistent with program description and federal requirements.

#### Remove:

- The application and proposed project are in compliance with the requirements specified in the Program Policies and Procedures.
- The project must demonstrate financial feasibility for the 55-year affordability period.

#### Replace:

- The application and proposed project are in compliance with the requirements specified in the Program Policies and Procedures and solicitation.
- The project shall not have commenced construction.
- The project must demonstrate financial feasibility for the 20-year DR-ACCEL loan term and commit to a 55-year affordability period.

#### Program Maximum Assistance (page 165)

Updated the maximum amount of program funds available for awards.

**Remove:** The maximum amount of program funds available for awards is approximately \$47,214,320 million.

**Replace:** The maximum amount of program funds available for awards is approximately \$52,576,258 million.

#### Program Competitive Application Overview (pages 165-166)



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This section is updated to clarify and update the scoring criteria table.

**Add:** The Department reserves the right to provide partial awards should funds remain after fully funding the gaps of top scoring projects.

**Remove:** 20 points = Yes, 0 points = No

**Replace:** Up to 20 points. 5 points may be scored by each criterion: confirmed site control, entitlements, funding commitments and environmental review.

**Add:** HCD will determine each project's proximity to DR-4683 flooding based on agency geospatial data.

**Remove:** Homeless Targeting: 0.3 points awarded for each percentage of total project units restricted to occupancy by households experiencing homelessness.

**Replace:** Homeless Targeting: 0.3 points awarded for each percentage of total project units restricted to occupancy by households experiencing homelessness, including:

1) At Risk of Homelessness, as defined in 24 CFR Part 578.3;

2) individuals who are experiencing Homelessness and individuals experiencing Chronic Homelessness as defined under the federal Continuum of Care Program at 24 CFR Part 578.3;

3) homeless youth as defined in Government Code Section 12957, subdivision (e)(2).

**Remove:** 3. Restricted to a special needs population defined as agricultural workers, individuals living with physical or sensory disabilities and transitioning from hospitals, nursing homes, development centers, or other care facilities; individuals living with developmental disabilities, serious mental illness or substance abuse disorders; individuals who are survivors of domestic violence, sexual assault, and human trafficking; individuals with HIV; families in the child welfare system for whom the absence of housing is a barrier to family reunification, as certified by a county; frequent users of public health or mental health services, as identified by a public health or mental health agency; Frail Elderly persons. "Special Needs Populations" do not include seniors unless they otherwise qualify as a Special Needs Population.

**Replace:** 3. Restricted to a special needs population defined as one or more following groups who need Supportive Services ("Supportive Services" means social, health, educational, income support and employment services and benefits, coordination of community building and educational activities, individualized needs assessment, and individualized assistance with obtaining services and benefits) to maintain and stabilize their housing:

(1) people with disabilities;

(2) agricultural workers

(3) individuals with substance use disorders;

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- (4) frequent users of public health or mental health services, as identified by a public health or mental health agency;
- (5) individuals who are fleeing domestic violence, sexual assault, and human trafficking;
- (6) families in the child welfare system for whom the absence of housing is a barrier to family reunification, as certified by a county;
- (7) individuals exiting from institutional settings or at risk of placement in an institutional setting;
- (8) Older Adults in Need of Supportive Services (individuals who are age 55 or older and who need Supportive Services); or
- (9) other specific groups with unique housing needs as determined by the Department.

Special Needs Populations does not include “seniors or veterans” unless they otherwise qualify as a “Special Needs Population” as required by other statutory laws.

## **Program Method of Distribution/Description/Overview** (page 166)

This section updated to be consistent with program description.

**Remove:** The DR-ACCEL is an Accelerator type program to close the gaps for projects with HCD Super-NOFA for Multifamily housing and other funding for each region in the MID counties which includes activity delivery costs (ADC). HCD may consider overall geographic distribution for final selection of Accelerator projects.

**Replace:** The DR-ACCEL is a competitive Accelerator type program to close the gap for eligible projects and is open to projects in all MID counties. HCD may consider overall geographic distribution for final selection of Accelerator projects.

## **7. Migrant Resiliency Center Program**

### **Program National Objective(s)** (page 169)

**Remove:** All OMS center activities will meet either the Urgent Need, Limited Seasonal Clientele, or Low Moderate Housing National Objective.

**Replace:** All OMS center activities will meet either the Urgent Need or Low- and Moderate Income National Objectives.

### **Program Method of Distribution Description/Overview** (pages 170-171)

This section is updated to adjust the regional allocations for each subrecipient to account for activity delivery costs for program implementation.

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**Remove:**

<b>County</b>	<b>OMS Migrant Center</b>	<b>Allocation</b>	<b>Percent of Total Need</b>	<b>Total Local Allocation</b>
<b>Santa Cruz</b>	Buena Vista	\$4,251,000	28%	\$3,825,900
<b>Merced</b>	Merced, Felix Torres, Atwater, Rafael Silva	\$5,551,000	37%	\$4,995,900
<b>San Joaquin</b>	Artesi II, Artesi III, Harney Lane	\$5,201,000	35%	\$4,680,900
<b>Total</b>		\$15,003,000	100%	\$13,502,700

**Replace:**

<b>County</b>	<b>OMS Migrant Center</b>	<b>Allocation</b>	<b>Percent of Total Need</b>	<b>Total Local Allocation</b>
<b>Santa Cruz</b>	Buena Vista	\$4,251,000	28%	\$3,668,715.71
<b>Merced</b>	Merced, Felix Torres, Atwater, Rafael Silva	\$5,551,000	37%	\$4,847,945.84
<b>San Joaquin</b>	Artesi II, Artesi III, Harney Lane	\$5,201,000	35%	\$4,585,894.70
<b>Total</b>		\$15,003,000	100%	\$13,102,556.25

**8. Projection of Expenditures and Projection of Outcomes (page 171)**

Update to sections titled Projection of Expenditures and Projection of Outcomes to include projections for the MHRE and DR-ACCEL programs approved by HUD during the initial submittal of the Public Action Plan and add projections for the MRCP program.

**Remove:**

**Projection of Expenditures**

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Not applicable

Replace:

**Expenditure and Outcome Projections**

**Expenditure Projections**

Program	Budget	2024	2024
		Q3	Q4
Administration	\$5,751,100	\$0	\$25,000.00
2023 MHRE	\$35,250,000	\$0	\$15,000.00
2023 DR-ACCEL	59,017,900	\$0	\$10,000.00
2023 MRCP	\$15,003,000	\$0	\$0

Program	2025	2025	2025	2025
	Q1	Q2	Q3	Q4
Administration	\$25,000.00	\$259,140.00	\$259,140.00	\$259,140.00
2023 MHRE	\$65,000.00	\$115,000.00	\$175,000.00	\$175,000.00
2023 DR-ACCEL	\$10,000.00	\$10,000.00	\$50,000.00	\$50,000.00
2023 MRCP	\$131,025.12	\$131,025.12	\$131,025.12	\$131,025.12

Program	2026	2026	2026	2026
	Q1	Q2	Q3	Q4
Administration	\$259,140.00	\$259,140.00	\$259,140.00	\$259,140.00
2023 MHRE	\$175,000.00	\$175,000.00	\$4,177,782.00	\$6,033,592.00
2023 DR-ACCEL	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
2023 MRCP	\$2,000,000	\$800,000	\$800,000	\$800,000

Program	2027	2027	2027	2027
	Q1	Q2	Q3	Q4
Administration	\$259,140.00	\$259,140.00	\$259,140.00	\$259,140.00
2023 MHRE	\$7,889,402.00	\$11,601,022.00	\$4,177,782.00	\$155,000.00
2023 DR-ACCEL	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
2023 MRCP	\$3,500,000.00	\$300,000	\$300,000	\$700,000

Program	2028	2028	2028	2028
	Q1	Q2	Q3	Q4
Administration	\$259,140.00	\$259,140.00	\$259,140.00	\$259,140.00
2023 MHRE	\$95,000.00	\$95,000.00	\$65,420.00	\$65,000.00

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2023 DR-ACCEL	\$50,000.00	\$50,000.00	\$50,000.00	\$50,000.00
2023 MRCP	\$3,930,753.60	\$350,000	\$350,000	\$350,000

Program	2029	2029	2029	2029
	Q1	Q2	Q3	Q4
Administration	\$259,140.00	\$259,140.00	\$259,140.00	\$259,140.00
2023 MHRE	\$0	\$0	\$0	\$0
2023 DR-ACCEL	\$250,000.00	\$400,000.00	\$1,190,000.00	\$3,626,880
2023 MRCP	\$200,000	\$98,146	\$0	\$0

Program	2030	2030	2030
	Q1	Q2	Q3
Administration	\$259,140.00	\$259,100.00	\$259,200.00
2023 MHRE	\$0	\$0	\$0
2023 DR-ACCEL	\$52,821,021	\$0	\$0
2023 MRCP	\$0	\$0	\$0

**Outcome Projections**

Program	Accomplishments	2024	2024	2025	2025	2025	2025
		Q3	Q4	Q1	Q2	Q3	Q4
2023 MHRE	# of Single-Family Units	0	0	0	0	0	0
2023 DR-ACCEL	# of Multifamily Units	0	0	0	0	0	0
2023 MRCP	# of Public Facilities	0	0	0	0	0	0

Program	Accomplishments	2026	2026	2026	2026
		Q1	Q2	Q3	Q4
2023 MHRE	# of Single-Family Units	0	0	0	10
2023 DR-ACCEL	# of Multifamily Units	0	0	0	10
2023 MRCP	# of Public Facilities	0	0	0	0

Program	Accomplishments	2027	2027	2027	2027
		Q1	Q2	Q3	Q4
2023 MHRE	# of Single-Family	15	20	30	10

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	Units				
2023 DR-ACCEL	# of Multifamily Units	0	0	0	0
2023 MRCP	# of Public Facilities	0	0	0	0

Program	Accomplishments	2028	2028	2028	2028
		Q1	Q2	Q3	Q4
2023 MHRE	# of Single-Family Units	0	0	0	0
2023 DR-ACCEL	# of Multifamily Units	0	0	0	0
2023 MRCP	# of Public Facilities	0	0	0	0

Program	Accomplishments	2029	2029	2029	2029
		Q1	Q2	Q3	Q4
2023 MHRE	# of Single-Family Units	0	0	0	0
2023 DR-ACCEL	# of Multifamily Units	0	0	0	0
2023 MRCP	# of Public Facilities	4	0	0	0

Program	Accomplishments	2030	2030	2030	Total
		Q1	Q2	Q3	
2023 MHRE	# of Single-Family Units	0	0	0	85
2023 DR-ACCEL	# of Multifamily Units	100	0	0	100
2023 MRCP	# of Public Facilities	0	0	0	4