



Disaster Recovery

June 2021 Severe Storm

Community Development Block Grant – Disaster Recovery (CDBG-DR)
Draft Action Plan | September 2022

This presentation is available in English, Spanish, Bengali* and Arabic. Go to the CDBG-DR website to download the version of your choice.

Esta presentación está disponible en inglés, español, árabe y bengalí. Vaya a la página web de CDBG-DR para descargar la versión de su elección

هذا العرض متاح باللغات الإنجليزية والإسبانية والعربية لتنزيل والبنغالية. حصلت الإصدار الذي تختاره

এই উপস্থাপনাটি ইংরেজি, স্প্যানিশ, আরবি এবং বাংলায় উপলব্ধ। যান টিওয়েবসাইট লিংকআপনার পছন্দের সংস্করণটি ডাউনলোড করতে

tinyurl.com/5am6tssu

*বাংলা অনুবাদ বিলম্বিত হতে পারে। আপডেটের জন্য ওয়েবসাইট চেক করুন

Meeting Agenda

What we are talking about today:

- Disaster Recovery (DR) funding awarded from the U.S. Department of Housing and Urban Development (HUD) tied directly to the June 2021 presidentially-declared disaster
- Funding guidelines and requirements
- Steps the City needs to take in order to receive the DR funding
- Proposed grant activities based on unmet needs tied to the June 2021 disaster
- Community feedback on those proposed grant activities

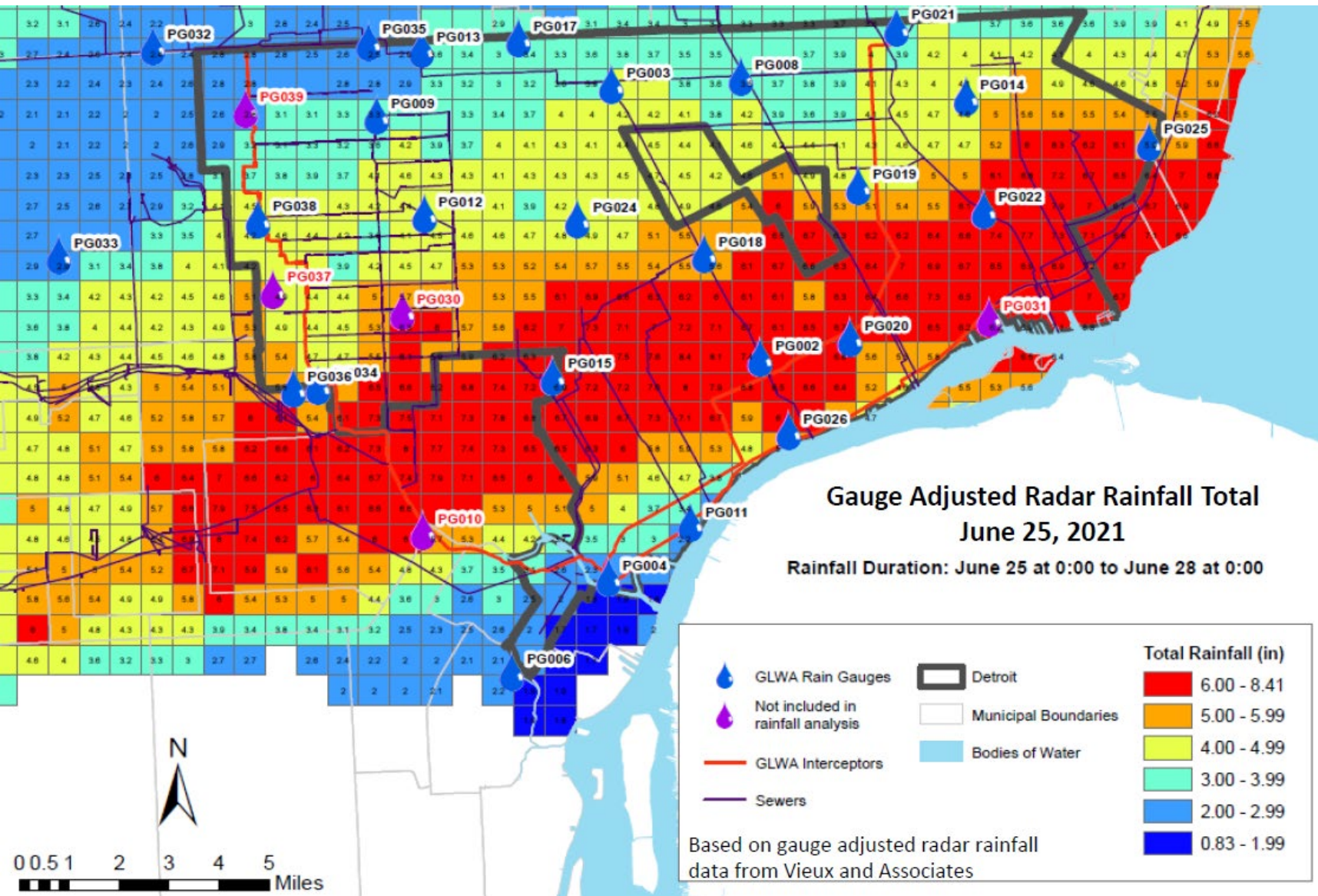


What we're not talking about today:

- Federal Emergency Management Agency (FEMA) aid
- Damage claims
- Small business claims
- Existing Basement Backup Protection Program applications. For BBPP inquiries:
 - <https://detroitmi.gov/basementprotection>
 - DWSD-publicaffairs@detroitmi.gov
 - 313-267-8000



8 inches of Rain in 12 hours



On *June 25-26*, 2021, Detroit received...

6 to 8+ inches of rain in 12 hours

- A 0.01% probability storm
- Sewer system design to handle:
 - Up to 3 inches of rain in 24-hour period
 - 1% probability storm
- Storm far-exceeded sewer system capacity



STORMWATER SYSTEM OVERFLOW



BASEMENT BACK-UPS

Summary of Disaster Impact

8 Inches of Rain in 12 Hours

- Sewer system designed for up to 3 inches of rain in 24-hour period
- Estimated 30,000+ households affected
- Districts 4, 6, and 7 were hardest hit

Storm-Exacerbating Factors

- Power supply disruptions at Freud and Conner pump stations
- Collapsed sewer lateral service lines coming from homes
- Sewer capacity issues

General Infrastructure Issues

- Combined stormwater and sewer system
- Unreliable power supply
- Limited Green Stormwater Infrastructure (GSI)
- High/fluctuating lake levels

Vulnerable Populations

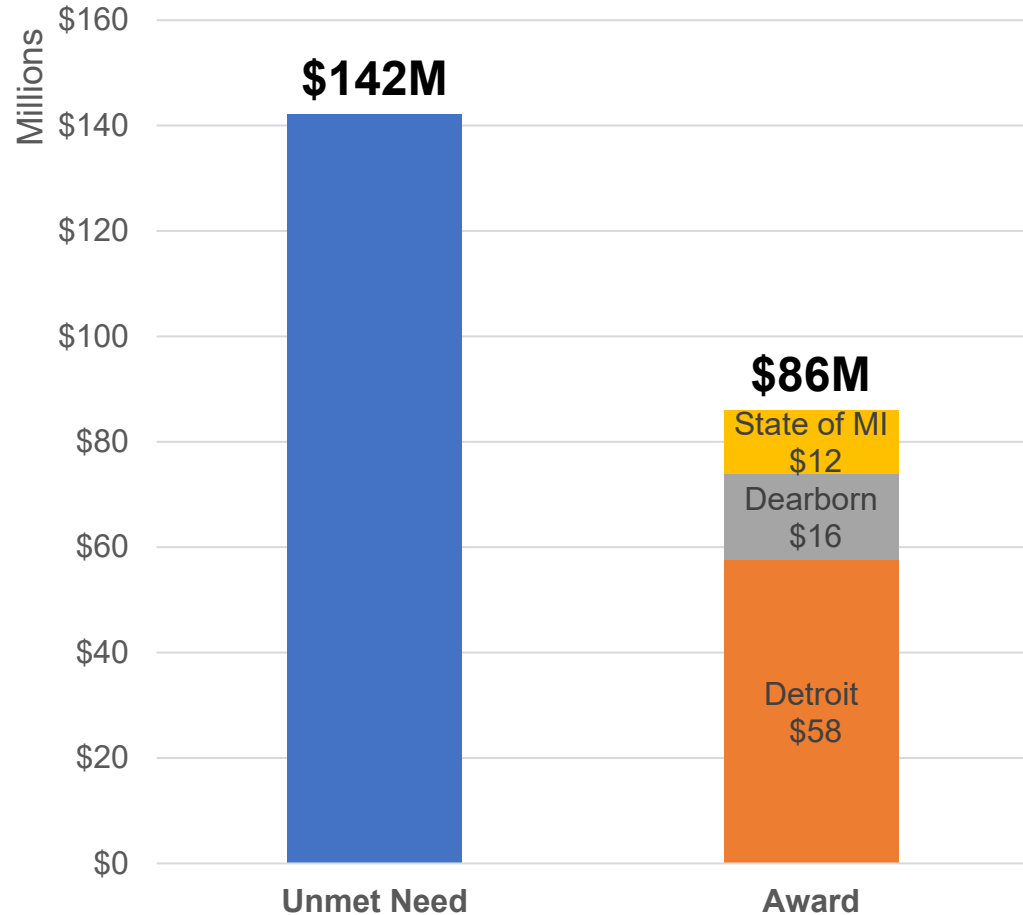
- 25% of Detroit homeowners were cost-burdened before the disaster
- 82% of hardest hit households are low or moderate-income

What is CDBG-DR?



- HUD awarded the City of Detroit \$57.6M for **recovery** from the **June 2021 storm** (August 2021 damages not eligible)
- Recovery = restoring housing, infrastructure and economy to pre-disaster conditions
- Response = rescue, safety, shelter and other actions taken in the immediate aftermath of disaster (e.g. FEMA, Red Cross)
- CDBG-DR-funded activities and programs must respond to disaster-related impacts that are not fully addressed by other funding sources

Unmet Need vs Award



- **HUD unmet needs findings:**
 - \$142M in unmet needs across impacted areas in MI
 - Homeowners without insurance to cover basement recovery costs
 - Costs not covered by FEMA, DWSD, other aid/awards
 - Only \$86M available in congressional appropriation to MI
- **FEMA findings:**
 - 4,573 households w/ serious damage
 - 3,948 households w/ with unmet need
- **Considerations:**
 - Equitable allocation of scarce resources
 - Prioritize households with least likelihood to recover on their own

Timeline/Process

Deadline	Task
June 2021	Disaster event
June '21 – Feb '22	Response activities (City Departments, FEMA, SBA, Red Cross, etc.)
March 2022	HUD notified Detroit that we could apply for recovery funding
May 2022	HUD published application rules/process
May – September	Conducted needs assessment, coordinating with departments and agencies
October 2022	Propose grant activities and collect feedback

 **We are here**

Eligible Grant Activities

CDBG-DR Eligible Activities



Housing

- Elevating homes
- Rebuilding homes
- Homeowners & renters are eligible



Infrastructure

- Bioswales
- Combined sewer separation
- Flood protection infrastructure



Economic Revitalization

- Rebuilding businesses

CDBG-DR Eligible Activities



RECOVERY (\$43.2 M awarded)

Activities that address unmet need for restoring housing, infrastructure, and/or economic activity that was impacted by the June 2021 disaster

- e.g. repairing sewer/stormwater infrastructure

* Recovery activity in flood zones is prohibited unless homeowner carries flood insurance



MITIGATION (\$7.5 M awarded)

Activities that increase resilience to or lessen impact of future disasters

- e.g. flood protection infrastructure

Low/Mod Income

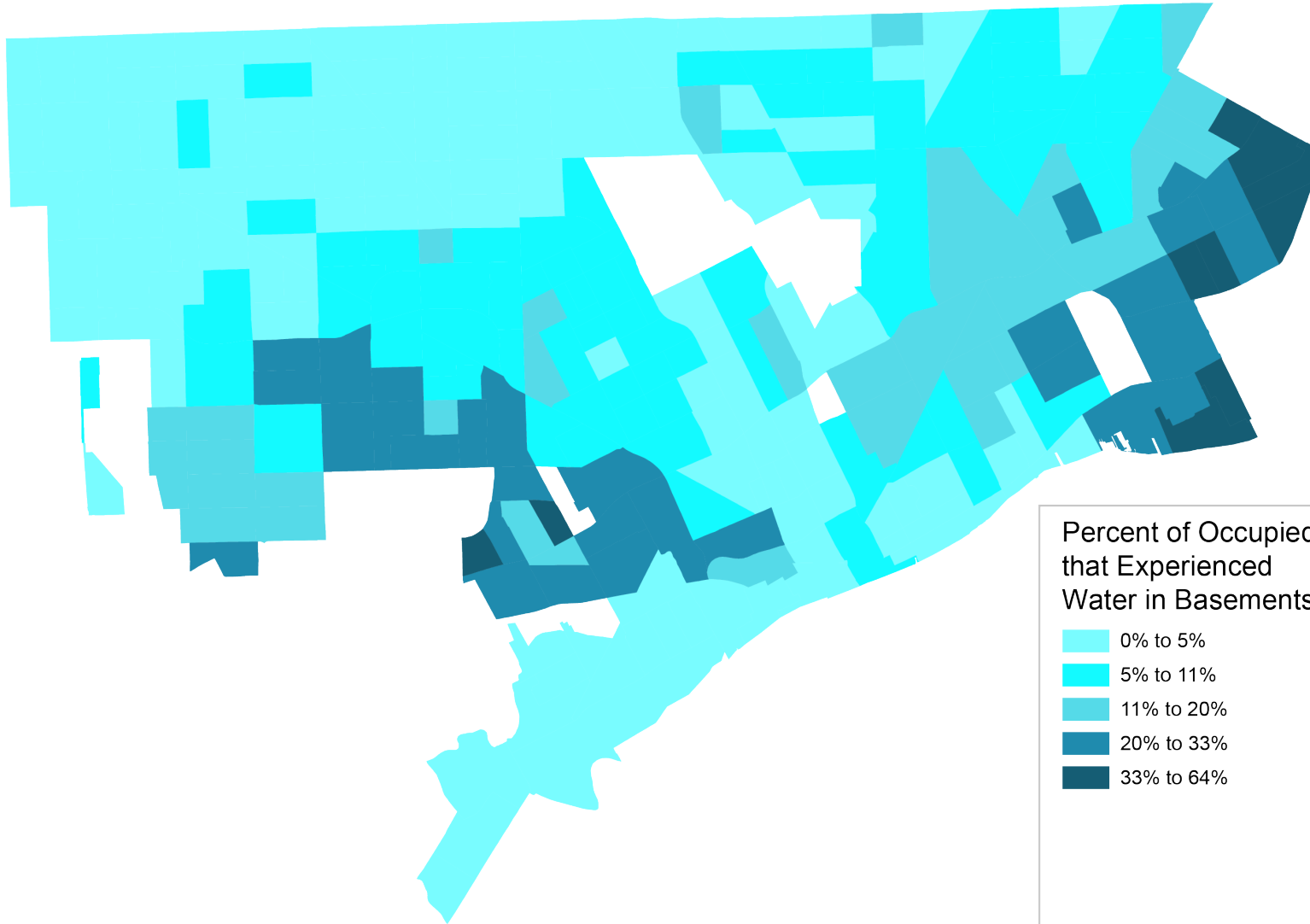
- Grant activity must serve “low” and “moderate” income households
 - Households earning at or less than 80% of the Area Median Income (\$89,800)
 - Income limits are adjusted for household size
- HUD uses the entire Metro-Detroit area to determine the AMI

	Persons in Family							
	1	2	3	4	5	6	7	8
Income Limit (80% AMI)	50,150	57,300	64,450	71,600	77,350	83,100	88,800	94,550

Source: HUD FY 2022 Income Limits. Detroit-Warren-Livonia, MI HUD Metro FMR Area

Most-Impacted Areas

Where Basements Backups Occurred



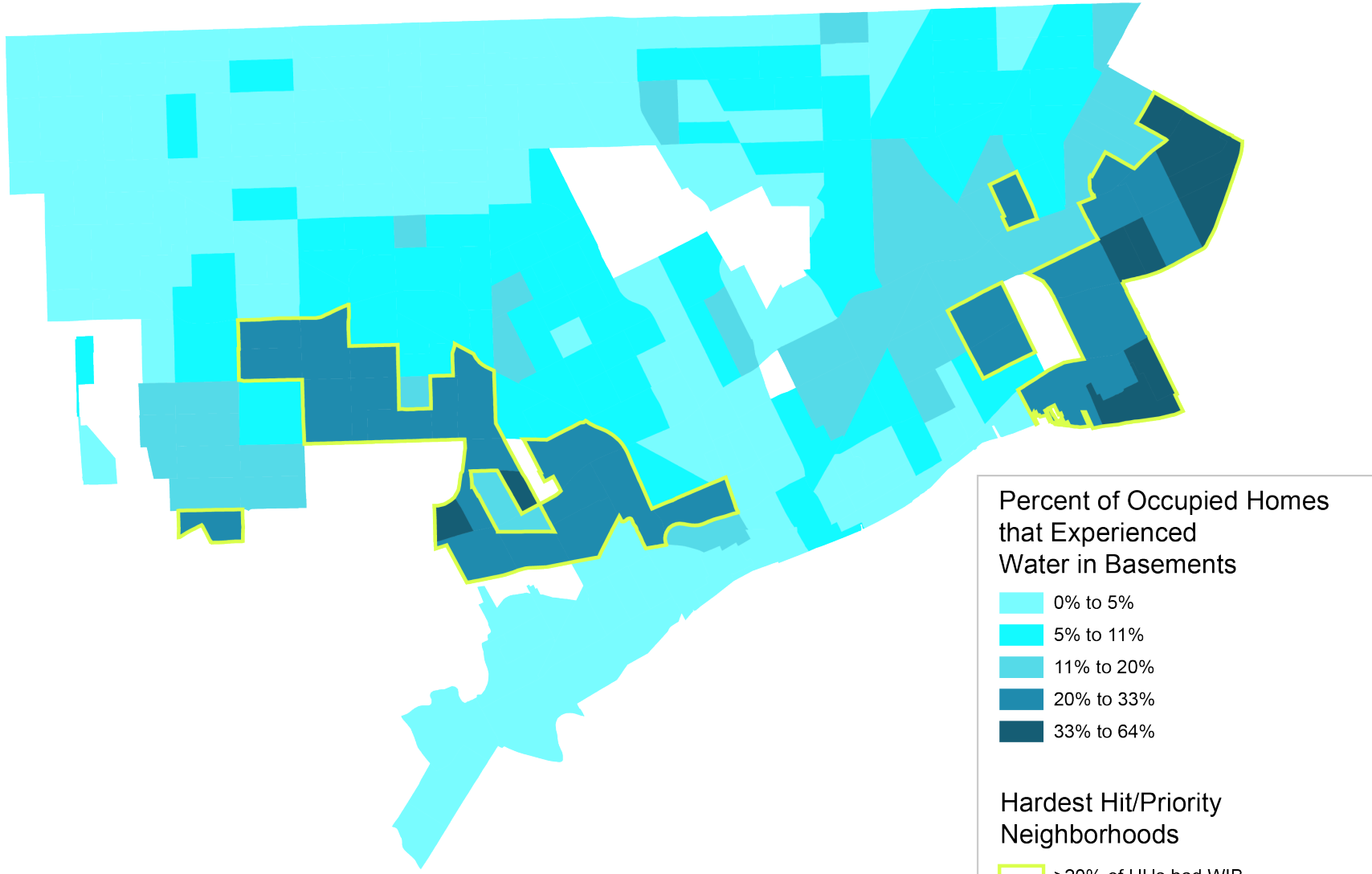
The far eastside and neighborhoods along the Dearborn border experienced the greatest concentration of basement backups

Percent of Occupied Homes that Experienced Water in Basements

- 0% to 5%
- 5% to 11%
- 11% to 20%
- 20% to 33%
- 33% to 64%

Sources:
Detroit Water and Sewerage Department
Detroit Planning and Development Department

Hardest Hit



Neighborhoods where 20% or more of occupied households experienced water in basements

Sources:
Detroit Water and Sewerage Department
Detroit Planning and Development Department

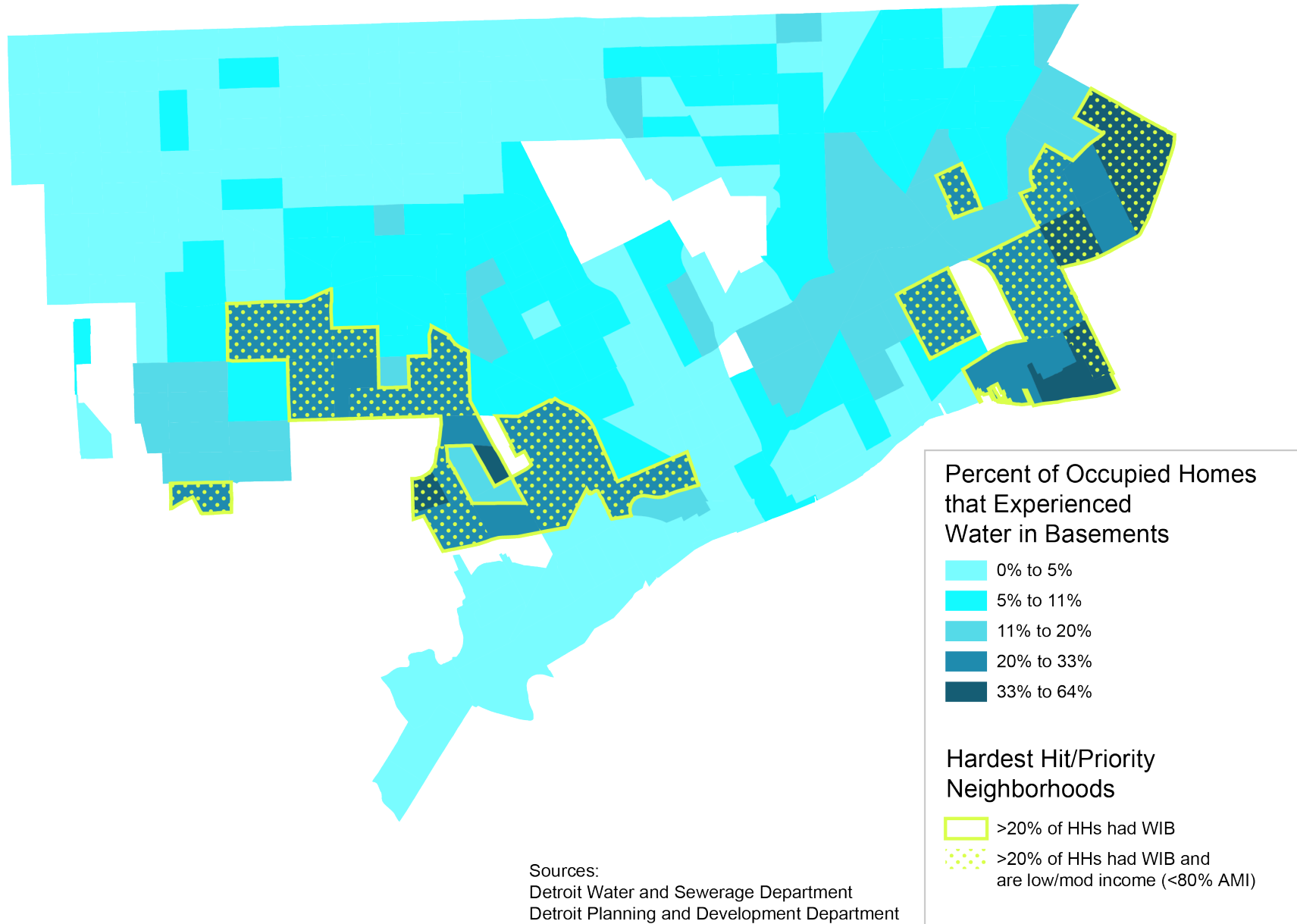
Percent of Occupied Homes that Experienced Water in Basements

- 0% to 5%
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Hardest Hit/Priority Neighborhoods

- >20% of HHs had WIB
- >20% of HHs had WIB and are low/mod income (<80% AMI)

Hardest Hit x Low & Mod Income

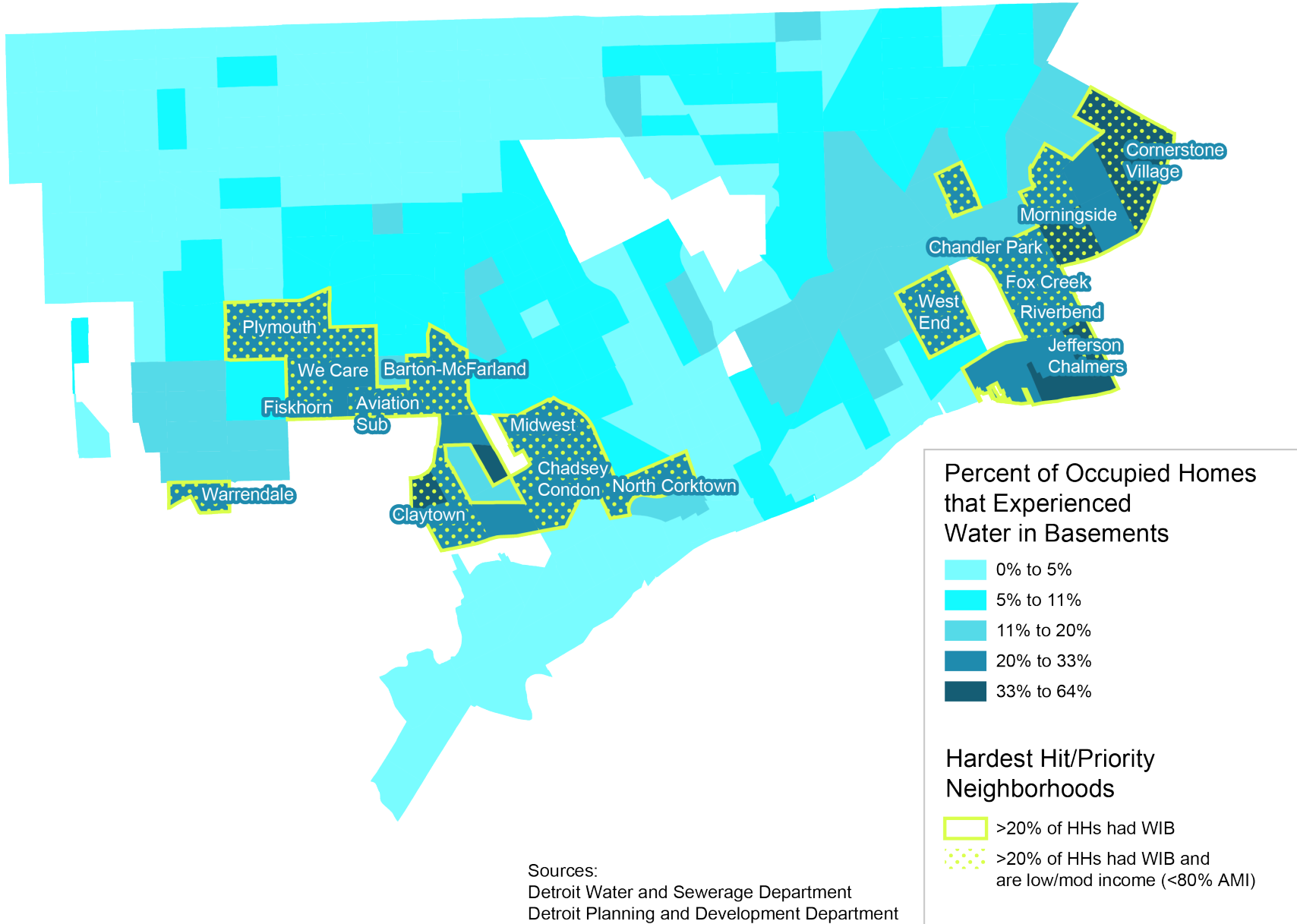


Neighborhoods where 20% or more of occupied households experienced water in basements

and

The median household is low or moderate income

Most-Impacted Neighborhoods



Sources:
 Detroit Water and Sewerage Department
 Detroit Planning and Development Department

29,000

households in hardest hits areas with unmet need that qualify for DR
 (low/mod income households in hardest-hit neighborhoods)

36,000

total households in hardest hit areas

- Use American Rescue Plan Act (ARPA) funds in areas that are non low/mod income and/or are in a flood zone

Proposed Grant Activities

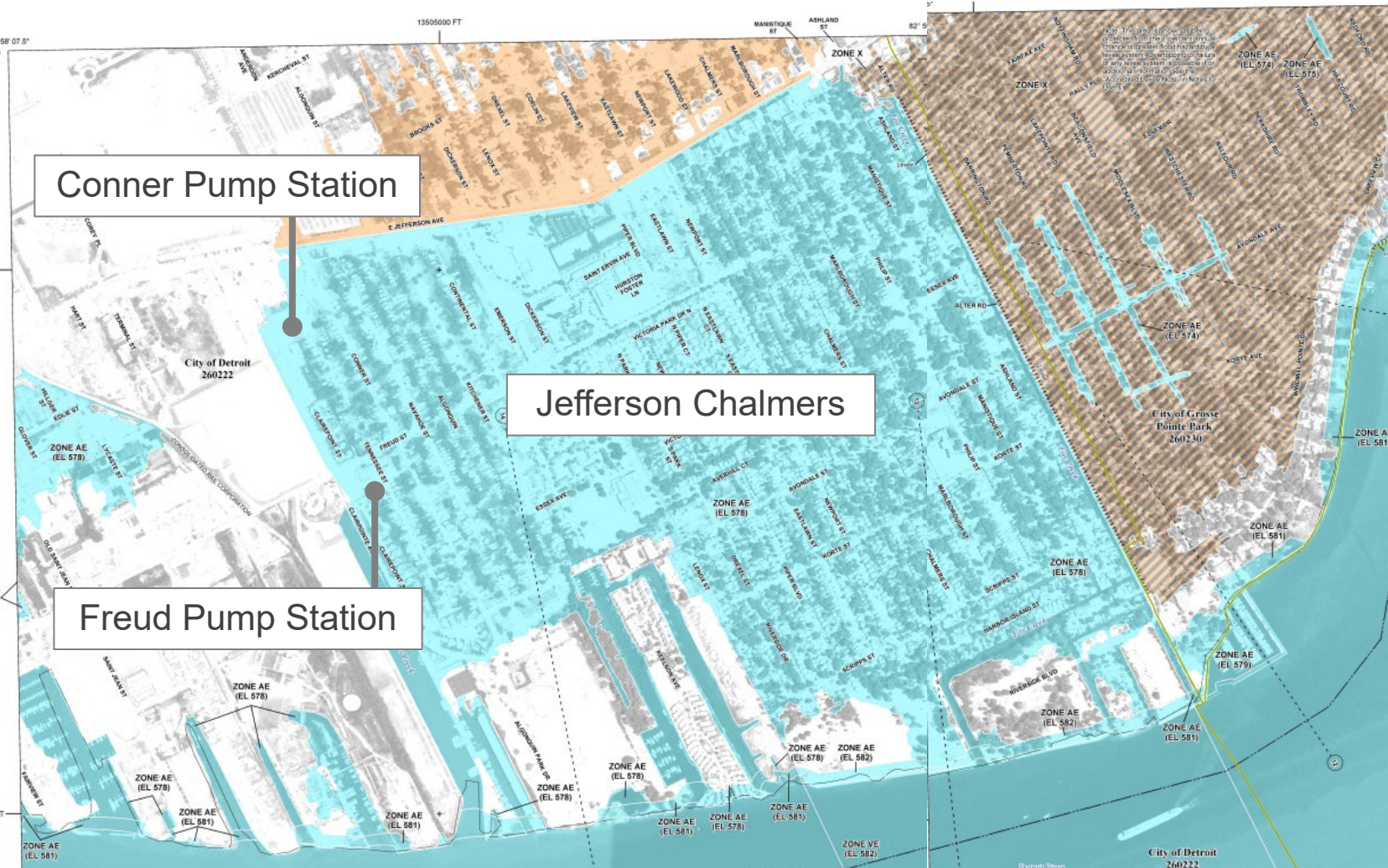
Housing Recovery & Protection



- Scope:
- Replace broken lateral service lines
 - Install backwater valves
 - Address additional unmet emergency housing needs related to the disaster where possible

- Expand Basement Backup Protection Program
- Continue to use ARPA where CDBG-DR cannot be used

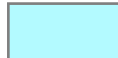
Jefferson Chalmers Protective Infrastructure



Conner Pump Station

Jefferson Chalmers

Freud Pump Station

 FEMA 100-year flood zone

Scope: Matching funds for flood protection infrastructure that emerges from current engineering/ public engagement process

- Removes neighborhood and pump stations from flood zone
- Homeowners won't have to purchase flood insurance
- Restores neighborhood's eligibility for federal funds
- **Must apply for US Army Corps of Engineers (USACE) assistance before using DR**

Proposed Grant Activities

Grant activity	Description	Activity Type	Total estimated cost	Estimated cost/occupied household	Estimated reach (HHs)
Housing recovery and protection	Repair or replace sewer service lines and install backwater valves, emergency housing needs caused by the flood	Recovery	\$43.2 M	Up to \$30,000	Approx. 1,500-2,000
Jefferson Chalmers flood protection	Construct protective infrastructure	Recovery/ Mitigation	\$10.0 M	\$4,286	2,333
Planning	Program design, construction documents, etc		\$1.5 M		
Admin	Cost of administering the programs		\$2.9 M	*	
Total			\$57.6 M		

Next Steps

Timeline/Process

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May 2022	HUD published application rules/process
May – September	Conducted needs assessment, coordinating with departments and agencies
October 2022	Propose grant activities and collect feedback
November 2022	Submit draft action plan to HUD
February 2023	HUD approves action plan
April 2023	HUD disburses funds, and Detroit City Council accepts and appropriates them
2Q 2023 – 2029	6-year grant activity period

 **We are here**

Summary

- **The City has not yet received any DR funding.** HUD must first accept the Action Plan for how the DR award will be spent.
- The City is seeking resident and community stakeholder feedback on the draft Action Plan.
- The amount awarded is less than the need, therefore prioritization will happen to distribute scarce resources:
 - Low- and moderate-income households (80% AMI or less)
 - Households in hardest hit neighborhoods
 - Homeowners and renters
 - Other factors to be assessed during program design
- Housing recovery/protection program **anticipated to launch by end of 2023.**
- Flood protective infrastructure may take several years to design, engineer, and construct. Outreach to impacted communities will continue throughout the process.

Stay Tuned!

Visit the website at:

tinyurl.com/5am6tssu

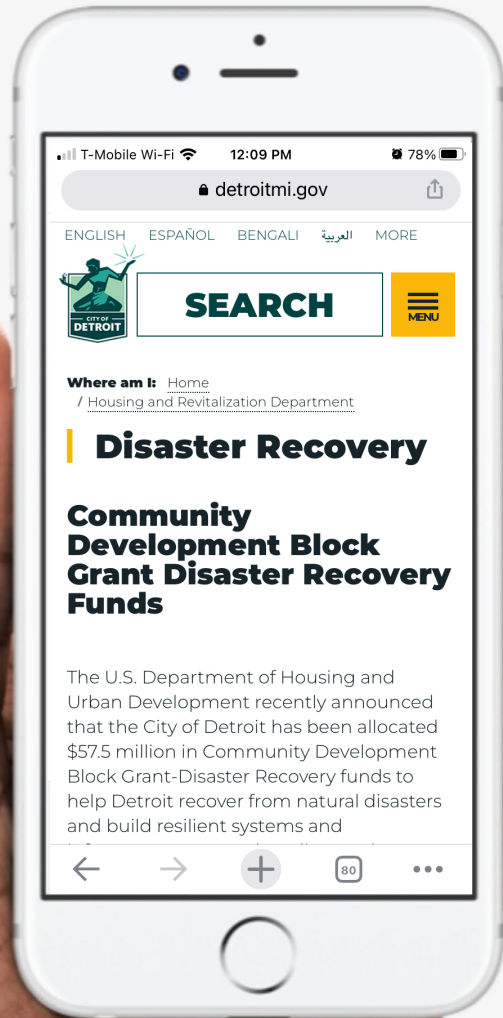
- Watch meeting recordings
- Download presentations
- Review the Action Plan and Amendments
- Get updates on Program Launch
- Access materials in English, Spanish, Arabic, and Bengali

Email all comments and questions to:

disasterrecovery@detroitmi.gov

Follow HRD on Instagram:

[@DetroitHRD](https://www.instagram.com/DetroitHRD)



Questions or Comments?

FAQ's

- **Can I be reimbursed for out-of-pocket recovery costs?** - No. HUD regulations do not allow direct payments to beneficiaries. It also violates environmental review regulations.
- **What does this mean for my existing BBPP application?** - CDBG-DR is not a part of the current Basement Backup Protection Program. BBPP applicants can contact DWSD at:
 - <https://detroitmi.gov/basementprotection>
 - DWSD-publicaffairs@detroitmi.gov
 - 313-267-8000
- **Will this help small businesses?** - The proposed activities are for housing and infrastructure only; small businesses are encouraged to visit sba.gov for assistance.
- **Are renters eligible?** - Rental households at or below 80% AMI are being considered as an eligible household for the program.
- **Are you going to close the canals?** - No. The CDBG-DR grant may be used as matching funds for whichever design solution emerges from current engineering studies.