



[Docket No. FR-6511-N-01]

Allocations for Community Development Block Grant Disaster Recovery and Implementation of the CDBG-DR Consolidated Waivers and Alternative Requirements Notice (PLUS-UP)

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: On November 27, 2023, HUD announced approximately \$142 million in Community Development Block Grant Disaster Recovery (CDBG-DR) funds appropriated by the Disaster Relief Supplemental Appropriations Act, 2023 for major disasters occurring in 2022 and January of 2023 in a **Federal Register** notice. This Allocation Announcement Notice announces an additional \$102,414,000 in CDBG-DR funds appropriated by the Disaster Relief Supplemental Appropriations Act, 2025 for major disasters occurring in January 2023 *only*. This Allocation Announcement Notice identifies grant requirements for these funds.

DATES: Applicability Date: [INSERT DATE FIVE DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Tennille Smith Parker, Director, Office of Disaster Recovery, Department of Housing and Urban Development, 451 7th Street, SW, Room 7282, Washington, DC 20410, telephone number 202-708-3587 (this is not a toll-free number).

HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit:

<https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>. Facsimile inquiries may be sent to Ms. Parker at 202-708-0033 (this is not a toll-free number). Email inquiries may be sent to disaster_recovery@hud.gov.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Allocations

II. Use of Funds

III. Grant Administration

A. Action Plan Submission Process

B. Clarification of the Financial Management and Grant Compliance Certification Requirements

C. Clarification of the Reimbursement Requirements for Grants Under the Appropriations Act

D. Optional Waivers and Alternative Requirements: Substantial Amendment to an existing Public Action Plan

IV. Duration of Funding

V. Assistance Listing Numbers (formerly known as the CFDA Number)

VI. Finding of No Significant Impact

Appendix A: Allocation Methodology

I. Allocations

In November 2023, HUD announced approximately \$142 million in CDBG-DR funds appropriated by the Disaster Relief Supplemental Appropriations Act, 2023 (Pub. L. 117-328) (the “2023 Appropriations Act”) for major disasters occurring in 2022 and January 2023 in a **Federal Register** notice published on November 27, 2023 (88 FR 82982) (“November 2023 Notice”). The Disaster Relief Supplemental Appropriations Act, 2025 (Pub. L. 118-158) approved on December 21, 2024 (“2025 Appropriations Act”) makes available \$12,039,000,000 in new CDBG-DR funds for major disasters that occurred in 2023 or 2024. The 2025 Appropriations Act also provides that HUD allocate any unobligated no-year balances remaining from Public Laws 108–324, 109–148, 109–234, 110–252, 110–329, 111–212, 112–55, and 113–2 (the “Prior Appropriations Acts”) for the same purposes as these new funds. The sum of all unobligated balances from these Prior Appropriations Acts is \$31,701,000. This brings the total

funding available for 2023 or 2024 disasters to \$12,070,701,000.

These CDBG-DR funds are for necessary expenses for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCDA) related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the “most impacted and distressed” (MID) areas resulting from a qualifying major disaster that occurred in 2023 or 2024. The 2025 Appropriations Act provides that \$78,850,000 of these amounts will be made available for these specific purposes:

\$45,000,000 for salaries and expenses of the Office of Community Planning and Development, \$1,850,000 for HUD’s disaster recovery portal, \$7,000,000 for the Office of Inspector General, and \$25,000,000 for capacity building and technical assistance, leaving the remaining \$11,991,851,000 available for allocations to CDBG-DR grantees.

Of the \$11,991,851,000 made available, this notice announces an allocation of \$102,414,000 from the 2025 Appropriations Act for disasters occurring in January 2023 only. The remaining \$11,889,437,000 from the 2025 Appropriations Act to address recovery needs and mitigation activities for major disasters that occurred after January 2023 was announced in the **Federal Register** notice published on January 8, 2025 (90 FR 1754).

The 2025 Appropriations Act requires HUD to include with any final allocation for the total estimate of unmet need an additional amount of 15 percent of that estimate for mitigation activities that reduce risk in the MID areas (see Table 1). The 2025 Appropriations Act provides that grants shall be awarded directly to a state, local government, or Indian tribe at the discretion of the Secretary.

Pursuant to the 2025 Appropriations Act, HUD has identified MID areas based on the best available data for all eligible affected areas. An explanation of HUD’s allocation methodology is provided in Appendix A of this notice and a detailed explanation of HUD’s allocation methodology is provided in the November 2023 Notice. All of the grantees within this notice must use at least 80 percent of their allocations to address unmet disaster needs or

mitigation activities that benefit the HUD-identified MID areas, as identified in the last column of Table 2. They may use the remaining 20 percent of their allocation to address unmet disaster needs or mitigation activities in those areas that the grantee determines are “most impacted and distressed” within an area that received a Presidential major disaster declaration identified by the Federal Emergency Management Agency (FEMA) disaster numbers listed in column two of Table 1. However, these grantees are not precluded from spending 100 percent of their allocation to benefit the HUD-identified MID areas if they choose to do so.

Based on a review of the impacts from the eligible disasters, and estimates of unmet need, HUD made the following allocations for disasters occurring in January 2023:

TABLE 1 – ALLOCATIONS FOR UNMET NEEDS AND MITIGATION ACTIVITIES UNDER PUBLIC LAWS 117-328 AND 118-158 FOR DISASTERS OCCURRING IN JANUARY 2023

Year	FEMA Disaster No.	State	Grantee	Allocation for Unmet Needs announced under the November 27, 2023 Notice from Pub. L. 117-328	CDBG-DR Mitigation Set-Aside amounts announced under the November 27, 2023 Notice from Pub. L. 117-328	Total Announced under the November 27, 2023 Notice from Pub. L. 117-328	Allocations for Unmet Needs announced under this notice from Pub. L. 118-158	CDBG-DR Mitigation Set-Aside for amounts announced under this notice from Pub. L. 118-158	Total announced under this notice from Pub. L. 118-158	Total announced under all notices from Pub. L. 117-328 and 118-158
2023	4684	Alabama	State of Alabama	\$9,046,000	\$1,357,000	\$10,403,000	\$6,712,000	\$1,007,000	\$7,719,000	\$18,122,000
2023	4683	California	State of California	\$100,019,000	\$15,003,000	\$115,022,000	\$74,217,000	\$11,132,000	\$85,349,000	\$200,371,000
2023	4685	Georgia	State of Georgia	\$10,952,000	\$1,643,000	\$12,595,000	\$8,127,000	\$1,219,000	\$9,346,000	\$21,941,000
Totals				\$120,017,000	\$18,003,000	\$138,020,000	\$89,056,000	\$13,358,000	\$102,414,000	\$240,434,000

TABLE 2 – MOST IMPACTED AND DISTRESSED AREAS FOR DISASTERS OCCURRING IN JANUARY 2023

Grantee	UPDATED Minimum amount under all notices from Pub. L. 117-328 and 118-158 that must be expended in the HUD-identified “most impacted and distressed” areas in column 3	“Most Impacted and Distressed” Areas
State of Alabama	\$14,497,600	36703 (Dallas County)
State of California	\$160,296,800	Merced, Santa Cruz, San Luis Obispo Counties; 95220 (San Joaquin County), 93001 (Ventura County)
State of Georgia	\$17,552,800	30223 (Spalding County)

II. Use of Funds

Funds for disasters occurring in January 2023 announced in this notice are subject to the requirements of HUD’s CDBG-DR Universal Notice (“Universal Notice”), published on January 8, 2025, in the **Federal Register** at 90 FR 1754, including sections I through V and appendices A through C, as may be amended. Except as specifically modified or clarified by the requirements in sections III or IV of this notice, the requirements of the Universal Notice, as may be amended, shall be read to apply to the allocations announced in this notice. HUD has determined that good cause exists for each waiver and alternative in the Universal Notice that is made applicable to the funds announced in this notice, and that the waivers or alternative requirements are not inconsistent with the overall purpose of title I of the HCDA.

On March 19, 2025, HUD published Memorandum 2025-02 titled, “Revisions made to the Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice published in the Federal Register (90 FR 1754) and Clarifications to the Allocations for Community Development Block Grant Disaster Recovery and Implementation of the CDBG-DR Consolidated Waivers and Alternative

Requirements Notice Published in the Federal Register (90 FR 4759),” that revises several sections of the Universal Notice (90 FR 1754) to align with four executive orders listed in the memorandum.

Additionally, on March 31, 2025, HUD published Memorandum 2025-03 titled, “Revisions made to the Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice published in the Federal Register (90 FR 1754),” that revises additional sections of the Universal Notice (90 FR 1754) to align with one additional executive order and 2 CFR Part 200.

III. Grant Administration

III.A. Action Plan Submission Process

As indicated in section I.C.3. of the Universal Notice, published at 90 FR 1754, this Allocation Announcement Notice provides a process for Action Plan submittal. Within 90 days of the applicability date of this notice, grantees are required to submit their Action Plan to HUD for review and approval. For all allocations announced in this Allocation Announcement Notice, HUD is requiring an email submission of the Action Plan.

Grantees shall submit their Action Plan to their assigned Community Planning and Development (CPD) Specialist or other designated HUD CPD staff member, with a copy provided to disaster_recovery@hud.gov. HUD encourages grantees to use the Action Plan template available on the Universal Notice website at <https://www.hud.gov/stat/cpd/universal-notice-grantees>.

III.B. Clarification of the Financial Management and Grant Compliance Certification Requirements

No grantee receiving an allocation announcement under both this notice and the November 2023 Notice exceeds the five-year criteria for relying on prior submissions of the financial management and grant compliance certifications that is established in the Universal Notice. Therefore, the grantees covered by this notice may rely on their prior submissions

provided in response to the Financial Management and Grant Compliance Certification Requirements in the November 2023 Notice. HUD reminds grantees that it will continue to monitor all of the grantee's submissions and updates made to policies and procedures and its capacity assessment during the normal course of business. The grantee must notify HUD of any substantial changes made to these submissions.

III.C. Clarification of the Reimbursement Requirements for Grants Under the Appropriations Act

The requirements in section III.B.14. of the Universal Notice shall apply to allocations announced in this notice. Grantees are reminded that the reference to the "applicability date of the grantee's initial AAN" in section III.B.14.b. of the Universal Notice shall refer to the December 4, 2023 applicability date of the November 2023 Notice for allocations announced in this notice. This means that grantees may charge to their CDBG-DR grants the eligible pre-application costs of individuals and private entities related to single family, multifamily, and nonresidential buildings, only if the costs were incurred from the incident date of the qualifying disaster either to December 4, 2025 or the date on which the person or entity applies for CDBG-DR assistance, whichever is earlier.

III.D. Optional Waivers and Alternative Requirements: Substantial Amendment to an existing Public Action Plan

HUD is also allowing grantees announced in this notice the option to align their use of funds allocated under the 2023 Appropriations Act (as announced in the November 2023 Notice) with the waivers and alternative requirements in the Universal Notice. This process would reduce administrative burden of grantees having to track separate requirements for two grants allocated for the same disasters. If a grantee would like to pursue this option, it should write to its applicable HUD CPD staff member and request to have the waivers and alternative requirements included in the Universal Notice made applicable to its initial allocation announced in the November 2023 Notice. Upon approval, the applicable HUD CPD staff member will provide the grantee with additional information regarding DRGR compliance, as needed.

IV. Duration of Funding

The 2025 Appropriations Act made the funds available for obligation by HUD until expended. HUD waives the provisions at 24 CFR 570.494 and 24 CFR 570.902 regarding timely distribution and expenditure of funds and establishes an alternative requirement providing that each grantee must expend 100 percent of all its allocations within six years of the date HUD signs the *initial* grant agreement for the initial CDBG-DR grant announced under the November 2023 Notice for January 2023 disasters. HUD may extend the time period in this alternative requirement and associated grant period of performance administratively, if good cause for such an extension exists at that time, as requested by the grantee, and approved by HUD. When the period of performance has ended, HUD will close out the grant and any remaining funds not expended by the grantee on appropriate programmatic purposes will be recaptured by HUD.

V. Assistance Listing Numbers (formerly known as the CFDA Number).

The Assistance Listing Numbers (formerly known as the Catalog of Federal Domestic Assistance numbers) for the disaster recovery grants under this notice are as follows: 14.218; 14.228.

VI. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available online on HUD's CDBG-DR website at https://www.hud.gov/program_offices/comm_planning/cdbg-dr. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202-708-3055 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit

<https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs>.

David C. Woll Jr.,

Principal Deputy Assistant Secretary for Community Planning and Development.

[BILLING CODE 4210-67]

Appendix A

Allocation of CDBG–DR Funds to Most Impacted and Distressed Areas due to Presidentially Declared Disasters Occurring in January 2023

This notice announces the balance of funds calculated for qualifying January 2023 disasters. Appendix A of the November 2023 Notice describes the detailed methodology for calculating allocations that HUD made for unmet recovery and mitigation needs for January 2023 disasters. HUD used the same allocation methodology for January 2023 disasters receiving funds under the 2025 Appropriations Act and under the 2023 Appropriations Act. At the time of the allocations under the 2023 Appropriations Act, HUD had calculated total unmet recovery and mitigation needs for January 2023 disasters as \$241,728,000. However, only \$138,020,000 was available under the 2023 Appropriations Act for January 2023 disasters. This new allocation under the 2025 Appropriations Act represents the balance of unmet needs plus mitigation needs described in the November 2023 Notice less a 1.2488 percent pro-rata reduction on the balance amounts to reflect the pro-rata reduction needed for all disasters being funded by the 2025 Appropriations Act due to unmet needs plus mitigation needs exceeding appropriations.

[FR Doc. 2025-08908 Filed: 5/16/2025 8:45 am; Publication Date: 5/19/2025]