

Chapter 12: Mitigation Requirements

12-A Introduction

HUD expects CDBG-DR recipients to be more proactive in addressing the impacts of climate change and future natural disasters to ensure that federal grant funds are achieving the goal of building long-term community resilience. Mitigation involves analyzing current conditions, identifying risk, and having a plan to reduce the identified risk. Mitigation is one of the best ways to support the health and wellbeing of vulnerable community members before disaster strikes.

For CDBG-DR, mitigation activities are defined as those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters.

12- B Most Impacted and Distressed Counties

As per the Allocation Announcement Notice, at least 80 percent of the total allocation provided to the Commonwealth must address unmet disaster needs or mitigation activities in the HUD-identified MID areas. HUD provided Kentucky with the following HUD-identified MID areas in the Allocation Announcement Notice:

- Graves County
- Hopkins County
- Breathitt County (41339)
- Warren County (42101)

The Commonwealth can also determine where to use the remaining 20 percent of their allocation, but that portion of the allocation may only be used to address unmet disaster needs or mitigation activities in areas that received a presidential major disaster declaration. In addition to HUD’s identified MIDs, Kentucky has identified the following counties that are eligible to receive CDBG-DR funding:

Boyd County	Hart County	Letcher County	Morgan County
Caldwell County	Hickman County	Lincoln County	Muhlenberg County
Christian County	Jackson County	Logan County	Ohio County
Clark County	Johnson County	Lyon County	Owsley County
Clay County	Knott County	Madison County	Perry County
Estill County	Laurel County	Magoffin County	Powell County
Floyd County	Lawrence County	Marion County	Pulaski County
Fulton County	Lee County	Marshall County	Rockcastle County
Greenup County	Leslie County	Martin County	Taylor County

11- C Mitigation Set-Aside

The Disaster Relief Supplemental 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 identified MID areas. The CDBG mitigation set-aside is calculated as 15 percent of the total estimate for unmet needs allocated for the 2021 disasters.

Unlike recovery activities that must demonstrate “tie-back” to the specific disaster and address a specific unmet recovery need for which the CDBG–DR funds were appropriated, activities funded by the CDBG–DR mitigation set-aside do not require such a “tie-back” to the specific qualified disaster that has served as the basis for the allocation. The CDBG–DR mitigation set-aside will only fund activities that meet the following provisions:¹

1. Meet the definition of mitigation;
2. Address the current and future risks as identified in the mitigation needs assessment in the MID areas;
3. Be CDBG-eligible activities under title I of the HCDA or otherwise eligible pursuant to a waiver or alternative requirement; and
4. Meet a national objective.

HUD encourages CDBG-DR grantees to incorporate mitigation measures when carrying out activities to construct, reconstruct, or rehabilitate residential or non-residential structures with CDBG–DR funds as part of eligible activities and are required to establish resilience performance metrics for those activities.

As such, DLG and its subrecipients may also meet the requirement of the CDBG–DR mitigation set-aside by including eligible recovery activities that both address the impacts of the disaster (i.e., have “tie-back” to the specific qualified disaster) and incorporate mitigation measures into the recovery activities.

To count those activities as part of the CDBG–DR mitigation set-aside, DLG and its subrecipients will need to document how those activities and the incorporated mitigation measures will meet the definition of mitigation.

11-D Mitigation Needs Assessment

HUD required DLG to assess the mitigation needs that resulted from the covered disasters in the Action Plan. The mitigation needs identified in the assessment informed the activities funded by the CDBG–DR mitigation set-aside. The Action Plan can be found on the DLG website at http://kydlgweb.ky.gov/FederalGrants/16_DRP.cfm.

The mitigation needs assessment discuss the characteristics and impacts of current and future hazards identified through previously declared disasters. The assessment also addresses risks to indispensable

¹ [Community Development Block Grant Disaster Recovery \(CDBG-DR\) Mitigation Set-Aside Funds](#)

services that enable continuous operation of critical business and government functions and are critical to human health and safety or economic security. Lastly, the assessment considers the costs and benefits of incorporating hazard mitigation measures to protect against the specific identified impacts of future extreme weather events and other natural hazards using historical and projected data on risk that incorporates best available and science tools. Mitigation needs evolve over time and DLG will amend the mitigation needs assessment and Action Plan as conditions change, additional mitigation needs are identified, and additional resources become available.

The CDBG-DR Action Plan’s mitigation needs assessment states there are at least 10 natural hazards that pose a considerable risk to the MID areas impacted by the 2021 flooding and tornado/straight-line winds events. Those hazards include droughts, earthquakes, extreme temperatures, floods, karst/sinkholes, landslides, severe weather, severe winter storms, tornados, and wildfires.

The mitigation needs assessment goes into detail of each hazard by characterizing them in terms of their frequency and each county’s vulnerability. DLG and its subrecipients can draw on the mitigation needs assessment to identify current and future hazards in these communities and target CDBG-DR funds toward cost-effective solutions to mitigate them over the long term.

11-E Mitigation Framework

When pursuing mitigation activities, DLG and its subrecipients can evaluate projects based on the following key resilience factors.

Mitigation Factor	Description
Risk	Evaluate the probability of an event occurring again and how the activity mitigates that risk.
Vulnerability	If funding a facility or project, understand the characteristics (location, size, operations, etc.) of the facility or project.
Criticality	Understand what services a facility or project provides and evaluate the importance of that service. Refer to FEMA Community Lifelines for examples.
Consequence	Understand how substantial or unmitigated damage to the facility or project impacts a community or services provided in the community.
Benefit	Understand what benefit the facility or project is providing to disadvantaged populations.

11-F Coordination on Mitigation

To maximize the impact of all available funds, DLG and its subrecipients are encouraged to leverage other funds with CDBG-DR and coordinate with other agencies like FEMA, the U.S. Army Corps of Engineers (USACE), and other Commonwealth entities that are also working with communities to build resilience.

11-G Mitigation Measures and Resilience Performance Metrics

To improve long-term community resilience, the Allocation Announcement Notice ([87 FR 31636](#)) requires DLG and its subrecipients to incorporate mitigation measures into its recovery activities that will protect the public, including members of protected classes, vulnerable populations, and underserved communities, from the risks identified. Mitigation measures also help ensure that communities are more resilient to the impacts of recurring natural disasters and climate change. Examples of mitigation measure include:

- Incorporating resilient construction standards
- Using resilient building materials and technology
- Elevating facilities above the Base Flood Elevation (BFE)
- Buyout/Acquisition of properties in high-risk areas
- Provide aid to relocate residents or businesses to lower-risk areas
- Restoration of trees in the urban landscapes
- Use of more renewable energy technologies
- Utilization of backup power for critical facilities

When determining which mitigation measures to incorporate, grantees should design and construct structures to withstand existing and future climate impacts expected to occur over the service life of the project.

Before carrying out CDBG–DR funded activities to construct, reconstruct, or rehabilitate residential or non-residential structures that meet HUD’s mitigation set-aside requirement, DLG and its subrecipients must establish resilience performance metrics for the activity. The process for developing resilience performance metrics includes:

1. An estimate of the projected risk to the completed activity from natural hazards, including those hazards that are influenced by climate change (e.g., high winds destroying newly built homes),
2. Identification of the mitigation measures that will address the projected risks (e.g., using building materials that are able to withstand high winds), and
3. An assessment of the benefit of the mitigation measures through verifiable data (e.g., 10 newly built homes will withstand high winds up to 100 mph).

In DRGR, HUD has published specific measures² for mitigation activities such as the number of non-residential buildings constructed, number of fewer outages of critical facilities and utilities, number of linear feet of public improvement, number of public facilities, number of residents protected from future flooding, and number of plans or planning products developed. Examples of other resilience performance metrics include:

- Number of acres no longer vulnerable to flood events
- Number of floodplain design standards updated

² DRGR Guidance on Grantee Program Projections - [Adding Grantee Program Projection of Outcomes](#)

- ❑ Number of energy plans completed
- ❑ Number of resilience plans created
- ❑ Number of properties with access above 100 year or 500-year flood level
- ❑ Number of homes retrofitted with resiliency measures
- ❑ Number of legislative actions taken to improve resilience

11-H Reporting on Activities

In order to count activities towards the CDBG-DR mitigation set-aside, DLG must document how those activities and how the incorporated mitigation measures will meet the definition of mitigation. These activities will be reported as a mitigation activity type (“MIT”) in the HUD Disaster Recovery Reporting system called DRGR. By tracking these activity types in DRGR, DLG can demonstrate to HUD how the 15% mitigation set-aside was expended.

Activity types that are available for “mitigation” in the DRGR system include:

- MIT - Direct Housing Payments
- MIT - Economic Development
- MIT - Planning and Capacity Building
- MIT - Public Facilities and Improvements-Covered Projects Only
- MIT - Public Facilities and Improvements-Non Covered Projects
- MIT - Public Services and Information
- MIT - Rehabilitation/reconstruction of residential structures
- MIT - Residential New Construction

With regard to allocating costs for activities in DRGR, HUD information on how to track mitigation set-aside funding is limited. To properly track mitigation costs tied to actual mitigation investments would depend on how the procurement is done and costs are listed on the invoice submitted to DLG. If a project includes known mitigation activities, DLG’s subrecipients should work with vendors to delineate those costs as separate line items in the budget. This will allow DLG to create separate mitigation activities in DRGR to track those costs under a program.

If it is not feasible to separate out the mitigation activities from the larger project, DLG may treat the entire cost of a project as counting towards the 15 percent mitigation set-aside. Subrecipients should inform DLG and DLG will coordinate with HUD on the best approach.