



**CDBG-DR Action Plan Public Hearing
(transcription from recorded video)**

Hazard, Ky

11/01/2022

Just getting started. Its five o'clock, so we said we had start at five, so we're gonna go ahead and start. I wanna say thank you for taking your time and coming to visit with us this afternoon. I'm Jennifer Peters. I'm with the Department for Local Government and I have Mr. Travis Weber and Gabe Nicholl and sitting here taking notes is Logan Fogel.

So our objective for today is to have the required public hearing on our action plan for the disaster recovery funds through HUD that for the events of 2021 for the flooding here in East Kentucky that happened in February and March of 2021. And then of course the tornado that happened in West Kentucky in December of 2021.

So this bill might pertain to the recent flood. But you, if you want to still stay and listen to us, that's great because this will be our starting block when we move forward to that one. I mean, we're not gonna try to go back and start from ground zero when we know, because you've got several of your communities that are involved with that disaster that are of eligible for this one, but it does not be as much, you know, the damage might have been different.

Compared to, I know that's one of the questions is how are we going to address that, the difference between 20 flood and the 22 flood? That's gonna be hard, but we'll, we'll find our way through it. I'm sure we will. That's what other people to help us too. , you know, problem solvers, as you can see, we did get the \$74,953,000 million for this long term funding for these events.

And as I said, that covers the, the flooding and the tornado of 2021 only. But, and what we're gonna do is just go over some of the highlights of the action plan. Try to understand some of the goals of the CDBG Disaster Recovery Program or CDBG-DR and then for you, to get feedbacks from everyone, either

whether you're online or here in person, to kind of give us what you think about how we're headed down the road.

If you haven't seen the, uh, the action plan online, I do have some hard copies there. I do have one in Spanish if you know of somebody that Yes, ma'am. You have an extra one. I get it. Yeah, I get it. Thank you Gabe.

All right, so we put our action plan on our website November 20th, and that started our 30 day comment, which will rise through November 21, 2022 and end at 4:30 Eastern. On that, there are several ways you can make comments to do them via email to DLG.DR@ky.gov. You can mail them to the office at 100 Airport Road in Frankfort. You can call or there's also a web form and I think that's gonna be the easiest. That's kind the most preferred way if you can get there. It's just, and it just kinda leads you into it, gets your contact information and has it broken down by section so that you can comment on sections 1 thru 5.

And that's just on our website, right? We will review and respond to all comments made, whether they, whatever. The ADD tonight is being very nice to us. They're, they're providing us with the Zoom. They're recording everything. And then that will be, uh, taken now, transcribed. And so, and we will share a YouTube, a YouTube, and uh, that will also be on our website.

Thank you. Uh, any updates or changes to the action plan that were made through the comment period shall be identified in the comment in the action plan. So let's just say in section one item #2, you've had a comment that we're have to put in there, how we address that.

And also all of your public comments will be, like I said, incorporated into the action plan and submitted with the action plan to HUD. We have to show them everything we've done as far as public outreach. So to get your comments, that's one of the things, and I we're just gonna go down a little timeline here.

So in 21, we had the flooding. We know that y'all know that you were here, you loved it. Well, that is the FEMA 4595. You live in FEMA world, like a lot of people do anymore. They talk in numbers. They don't just say the flood in Breathitt County, that's the flood, 4595, and you gotta know what to talk about. And then the tornadoes was, uh, 4630 down at uh, West Kentucky.

But those two disaster, the tornado, we got the disaster declaration with that, they also tacked on the previous flooding. So that got us a bigger pot of money, so to speak. So that's where we got \$74 million was a portion of the 5 billion that was allocated through Congress for a two year period for 21.

And I would try to tell you how HUD actually just looked at how they gave us the 74 million, but it's based on a percentage. They said it'd take a while, right? So in May of 22, HUD do the allocation and announced that we were getting our 74 million. So right now we're up. The, So for the disaster money, this is to aid the citizens in recovery of a devastating storm, strengthen the impact that, uh, it had on the communities and prevent damage to homes, businesses, schools, and public infrastructure.

One of our goals is to build you back, but not, and build you back better. That's one of our goals that's come in with hud. Alright, so this is some of the processes here that we have to go through for, to get the action plan to the point where we can submit to hud. So first we have to conduct our unmet needs assessment, which that has been completed.

We had to do a mitigation needs assessment. All of these are just the steps to get to the document that we have in front of us tonight. Uh, the leverage, it is limited, excuse me, Leverage the limited CDBG arc funds for different, uh, housing infrastructure planning, economic revitalization and mitigation programs.

Now, one of the things that hud tells us is they identify what is called a HUD MID. A HUD MID is most impacted and distressed area just for definition purposes, because we'll talk that way throughout this. They said we have to spend 80% of that 74 million in those mids, Well, we just, they gave us four and here Breathitt is one of the four.

The other three are out West are Warren, Graves and Hopkins. But we have to spend 80% of that 74 million in those. So that leaves your other counties, just leaves us 14 million. And let me tell you, we started off with 64 counties altogether. So 14 million's not gonna go very far. We, we know that. We understand that, but this is what we got.

This is what we're trying to do with it. Also, another stipulation for HUD is that we spend 70% of the 74 million on low to mod income persons or households. So our overall, out of that 74 million, we've gotta hit a 70% of, uh, LMI folks that we've served. And this is one of the things we're doing. Provide the public with an opportunity to a comment, comment on the on the action plan.

And then after that, like as I said, we'll submit the action plan to HUD hopefully around November, and they'll have 60 days from that to review or come back to comments for, to us with comments. They have timelines as well, but we'll, what our goal is, Says to hopefully make it through all of this, not have to do a

lot of back and forth and doing a lot of amendments on the action plan that we have, but maybe be to where, come the first quarter of '23 or spring that we will be ready to start actually taking applications and putting a program out on the street and actually start to work.

I mean, we're working, we're working hard. This is, this is something we've not done before, but, or this team has it, but we've, I think we've got a really good team behind us and we're trying really hard to listen to what everybody says and kind of, you gotta tell us what we need to do to help y'all out.

And we will have six years, and that will be from the date that we assign, we execute our grant agreement with hud. So if that was January 1st of '23, we would have six years from that date to be totally done. All projects done, completed. And this again, is just another way of showing you the timeline that we've just gone over.

We, and we are to draft DR Action Plan, posted for comment, period. October. So November we have to have this too, HUD. So we'll be working really hard to get there. It's gonna have it, It's open. I'm not using it here. Okay? Now here Where're to, uh, okay, we are to be used to help it the most impacted and distressed areas to cover. The DLG funding can be used for long term recovery projects such as housing, economic revitalization, and infrastructure restoration. It is considered last resort funding. So that means you've had to exhaust all your FEMA, all your small business, all rural development, anything that, all personal insurance, All that has to be expanded and there still has to be a gap left where you still need some funds.

So when you get to that point and we come out and we start doing applications, then that's where we can, we will look to help you fill that gap. We will go through some projects and stuff later, or program areas that you'll help you a little bit later to tell you kind of where we're going or where we think we're going.

Uh, and a portion of the funds will be made available to address mitigation needs. That's another stipulation. We have to spend 15%, at least our mitigation measures. Now we can't, that doesn't necessarily mean it has to be a mitigation plan or that it does mean that we can put, so we're building a new house, but we're gonna do some mitigation with you. We're gonna make build you back, but build you back stronger and a little bit more resilient so that, but mitigation plans and stuff is part of the things that we're gonna talk about later as well. So we want to build you back and build you back better. Okay. And we've kind of gone down a few of these little breakdowns here already.

Like I said, we got the \$74,953,000, the mitigation set aside, which I just discussed, which is the 15th percent of that 74. But we're gonna, like I said, we'll kind of build it in to different programs, but, uh, we've gone through the timeline. We have the six years from the date that we execute the grant agreement with hud.

And I mean, if you, if you get your program finished or your project finished and whatever, and earlier than that, that's great. You know how we want to progress and longs and turns out, you know, start, finish. Those are the best two. Some of the days in the middle can be a little hairy, but we've discussed the national objective. Our main one will be the low to moderate income or LMI persons of benefits. So you can see if we had to do 70%, so that would mean \$48,793,745. It has to be spent towards that. That is count. That is not including planning and administration fees. So to do the LMI low income, that would be if we were doing an infrastructure project, 51% of the person served would need to be low to moderate income.

And if you're doing housing, 51% of the units, correct? Mm-hmm.

We can also use another national objective here if needed. And that's called urgent need. And that, I mean, you have the need. It's there, we know it. But if we can use lmi, we want to do that because we are required to hit that target 70%. But if something happened and a home is over income that needs it, we can revert to urgent need.

That makes sense. Right? If you, they need help too. So we can use the urgent need, and this is just a actual kind of graph of what a household income would be for these areas. For one person for Breathitt that looks like 34,000 at the time. This slide, so forth, which is based on '22 income limits. So you would do your surveys or do your households on that?

Uh, this income base here are, like I said, we've had the four MIDs and you can see there, there in the yellow. And I went ahead here on the slide and kind of slid 'em out so that you could see that which activity they actually belong to. So right, we've gone over, the 80% has to be spent in these four areas, which is the \$59 million, almost 60.

So that's a lot of money for four counties. But then again, when you look at your destruction, it's just the beginning. So we see that, but we're gonna do the best we can to use and use it the best we can. And, and as I said that we, uh, we've had the allocation announcement. That's where we got the four mid areas and the percentages.

Now here is the, the remaining 20%. The counties that are listed on this slide here, those are the ones that are eligible for that 14 million. So that's a lot of counties and not a lot of money. So what we're gonna do, we, that's, we've not gotten to that point yet, but it'll be an application process that we will work on and lay it out at a later date.

That will be the next step that we'll start working on. I, I, that I told him he to come up here, be the night.

And that's where I'm gonna stop, let Travis take over. But do, is there any questions or concerns at this point in time over what we've covered?

owner amount for the 14 s? There gonna cap or you just not to point? Yeah. Hold just a second. Yeah. Yeah. We're, we're get a detail right now, but there are some things that we just haven't gotten that. So here is a breakdown of the 74 million. So, you know, as Jennifer talked about, we did it is 74.9 million and you can see that based off the data that we collected and the responses that we got in soliciting for feedback, this was the breakdown that we came up with in regards to how we would best be able to utilize the funds in these, uh, affected areas.

So you can see that housing is broken down in four different areas, and I wanna go over those in a little bit more detail on how that money would be used and how we would be able to work with partners locally to get those funds out as well as the individuals that have been affected. Um, the housing totaled approximately \$43 million. Of the 74 and then infrastructure was 25 million. Those are our two biggest areas that we, that we had, and we're gonna go into detail, um, in these next slides coming up. So single family, new construction, um, with the CDBG program, without getting, without getting too technical on this, with the CDBG program, new construction does not necessarily mean what it may mean to people in the general public because new construction is actually the construction of new housing on land that previously did not have housing or home ownership on it.

So when you're talking about housing going back where single family houses may have existed at one time, that is not actually considered new construction for the CDBG program. New construction is actually putting new housing in areas that did not have housing before. On previously undeveloped or previously developed for other uses areas.

So you can see that this is only \$4 million and you may be wondering for new construction, why is it only 4 million? That's the reason why, because most of

our housing is going to be done on areas that were previously, that were, that housing previously existed, and we're going to go back in and put new house and put housing back there.

So with this type of housing, the maximum award is gonna be \$200,000 per unit. Oh, I'm sorry. Did you have a question? Yeah. So what about if it's, uh, property got flooded, they want to move higher on the hillside, Would that fall under a single family new construction? Should it depend? Is it on? So with the CDBG program, Uh, they consider property to be your, If you are, you are locked. So for example, if you had a house on lower level property along a stream and that house was damaged through the flood and now you, and now you wanna relocate that further up your property maybe outta the flood plain. Now that would fall under rehab, under the CDBG program. That is not new construction cause you're on the same.

Under cdbg, they consider your lot a footprint. So your lot may be big enough to have five houses on it, but that's still considered the same footprint, even though that's not the footprint where your house may exactly have been before. Okay. Does that answer your question? Yes. Okay. So this is gonna be done primarily through, um, the partnership with local developers and organizations that are actually in the development of housing.

So Scott's here today. Scott has done a lot of housing development here locally in these areas. This would be something Scott, more like what you would do rather than those individual families that have been affected by this disaster. Um, applicants though would still come through largely the unit of local government, um, or in this situation, um, we can actually work with partners Scott, like yourself, where you could actually be the applicant for the project rather than, rather than the unit of local government and going through the unit, local government, through a traditional CDBG model. This is a, this, the CDBG-DR gives us a little bit more flexibility.

We can work with those partners directly.

Okay, now this is where we talked about being able to put housing back where housing once existed before. So whether that is the example that, um, uh, that you gave previously about moving it up to higher land on your, you know, same property, just shifting it up higher up the hillside, or whether this is actually putting a house back up on the same lot where housing once existed.

Now, much of this that is in the flood plain is going to have to be addressed by possibly raising houses up into the acceptable flood plain levels, which the

FEMA money would require you to do the same thing too. So we will, So this program can work with those types of requirements. Um, the, the maximum grant award for these is gonna be \$500,000 per grantee, which the grantee is not the individual.

The grantee is going to be the, the local jurisdiction, the unit of local government. And then on top of that, the eligible assistance for the property is going to be a hundred thousand dollars. But now keep in mind if you are, as Jennifer mentioned before, we're filling a gap. So if you got, if you need to put a new house back that, that totals, um, \$150,000 and you get \$80,000 from your insurance and you get \$30,000 from FEMA, well your gap is 40,000.

That does not mean that you can get a hundred thousand through our program because that's the eligible max. You, we are filling the gap to get your house back up on the lot where it previously was before. Now, um, eligibility, this must be your primary place of residence. No second homes. So this, you must be able to ha and you must be able to provide, um, you must be able to prove ownership and, um, that this is, and that you live at this address.

Um, must have sustained damage as part of the 2021. So, um, most of the individuals here, it's regarding the flood, um, back in February, March as part of this disaster. That's where you must be able to prove the damage from this. And the structure must be an eligible structure per the CDBG guidelines. Now that those get a little, those, those are separate, we're not gonna cover those in detail today, but you will see more of that in our program guidelines that will come out following the action plan that we're going through tonight.

Um, now not only can we do single family that I, that we just talked about, we could also do multifamily. Um, this is for the construction of five or more units. Uh, so some, So we know that there is a huge need for affordable, uh, multifamily housing back in some of these flood affected area. The maximum amount is a, is a million dollars for a new construction project.

And this is, and again this is multifamily new construction. This is putting multifamily back where multifamily housing was not before. So this would be maybe shifting it to higher, you know, shifting it to a new property that may have been, uh, vacant strip mall that is, that has now been demolished or may have been an alternative use for an industrial building that is now demolished.

Maybe multi-family housing is gonna go back there. This would be new, this would be new construction for that. Um, there is affordability periods for this. Um, those of you that are familiar with the home program, the affordability

periods are gonna seem very familiar with that. Um, if you are, um, those types of affordability will also be explained in a little bit more detail in our program guidelines that will come out in dealing with multifamily.

Now, just like with single family, we had new construction and rehabilitation. We also have new construct or we also have rehabilitation of multifamily and rental housing. So if for you, those landlords as well as developers that are in good standing, they can apply for, um, multifamily and rental rehabilitation of their units to get those back up and running to get those back up and operational.

Um, maximum award per unit is \$75,000. Um, and you're looking at, um, you're looking at for these, again, about five, five or more units. Um, I would think in these communities we're gonna be see a lot of small multifamily, not your traditional, that you may see in more urban areas of dense multifamily. This is gonna be smaller, smaller single family or smaller rental, um, multifamily projects.

Um, oh, they shifted our slides. I think Dave, um, I'll, I'll do this one real quick though. Oh, no worries. That's just, that's, that's telling you that, Oh, this is, Oh, I'm sorry. I thought this was the, I thought this was the services, the public service. Um, so now we recognize that in, you know, with these, with this assistance that's going out, we are putting a lot of individuals or that a lot of individuals are going into financial situations that they have not been in before.

They might not have been under this type of arrangement for home ownership. They may not have been under this type of arrangement for rental. So a le a, um, eligible expense under the CDBG Disaster Recovery Program is housing counseling and legal aid. So by HUD approved, uh, or HUD certified housing, counseling agencies and non-profit organizations and community based organizations, we, they can apply for a, a allocated and an acceptable amount of housing counseling and legal aid services through the CDBG DR program.

So that is a little bit different than our regular CDBG program that some people may not have had before. But this is a great tool because a lot of, a lot of individuals are going to go into housing situations that they have not or are not familiar with, that they've utilized, that they have been in the past.

This is you. I've only got one slide before I turn it back over to Jennifer, so I'm just gonna stay seated if you don't mind. But, uh, the small business grant program, uh, obviously the, the budget is 4 million, um, to, uh, to allow for a

flexible range of eligible activities to help low, uh, local entities meet economic, economic recovery and mitigation needs.

Uh, we hope that the, uh, this will begin in the spring of 2023. We don't know that for a hundred percent sure, but we hope that that is the case. Um, the award is only \$200,000. You know, we're, we're trying to stretch that 4 million as, as much as possible. So the max assistant is up to \$200,000 and that's gonna be for operating capital or working capital, or, uh, up to \$20,000 per per, uh, LMI job retained or created, um, we will obviously prioritize, uh, these economic realization funding and low and moderate income vulnerable communities. Um, again, funding is gonna be for working capital, purchase of equipment, for retained retention of jobs or, or the new creation. And then eligible applicants is not any different than the other ones. Uh, it's city, county, or tribal governments. They will apply to DLG for grant, grant funding for, uh, on behalf of, of business. Um, what this is, what this is designed to do is for, um, local, small businesses, uh, if they've had to close the doors or if they've, uh, um, closed the doors in general or they're trying to get back open or they've opened on their own and trying to create the low, low income jobs, uh, again, is \$20,000 per job, but a maximum of \$200,000.

So, does anyone have any questions for Gabe on his economic development at this point? Can we actually go back to some of the housing programs that you, Wendy? Uh, no, it's actually Michelle Ette from sbp. Sure. Travis is right here. Um, where do you want me to go back to? Uh, let's start with the rehab side.

Uh, the owner occupied one, the maximum award of \$500,000 per local government, I'm just gonna say per local government, but per applicant. Um, so do you only expect five to 10 rehabs per local government if it's a 100 per thousand per property, or are you expecting much lower awards than that? Um, and in terms of the, the number of applicants, like the number of actual beneficiaries, so like, let's, Breathitt County applies and they apply and they have 20 people that need to do rehabs and all of them were total losses, but they can only do up to 500,000 for that county.

No, I think what, um, it was done based off of anticipation of filling that gap. And while the maximum award would be a hundred thousand, that's not what we're anticipating most beneficiaries receiving. Okay. I, I was just curious cause the math seems a little rough on that if Yeah. Well, no, I mean, yeah, if you're looking at it, you know, with \$500,000 per grantee and a hundred thousand dollars per property, um, you know, it doesn't also, uh, preclude anybody from being a multiple time grantee as well.

But the biggest anticipation is not having a hundred thousand dollars per recipient per eligible recipient. Okay. That makes sense. And then, uh, the other piece of this is there's probably going to be a decent amount of properties that were damaged from both the 2021 event and the most recent 2022 events.

Has DLG created any policy on what counts as damage? What is going to be used for documenting that damage? And how are you going to tell between 2021 and 2022 and kind of where, Could you talk us through that? Yeah. I don't think at this time that, um, we have set up a set of, uh, standards for that, um, for those that may have been dual affected, other than, you know, probably just looking at the history of what was reported at the time.

Um, but, but in terms of a definitive set of, uh, standards, we have not. Okay. And then the only other question I had was on the multi-family rehab and reconstruction, small rental, whatever. Yeah. That one. Mm-hmm. . Um,

so, this one, \$75,000 per unit. Is there going to be a unit maximum? So if one landlord's a beneficiary, what if he has 35 units? Is that okay? Is that not okay? Is there something that precludes from being a beneficiary? So you're asking if we have a unit cap as well as a, um, not at this time. We've identified that, but that would be more in the program guidelines that we, that will be coming, uh, will be forthcoming.

Sweet. That's all I had for right now. Thank you. Okay. Yeah. Thank you. Yes, sir. I wanna, additional question. So for people that are maybe looking up to higher land, what about grading, clearing, getting water to that side? Does that fall under housing infrastructure? How does that piece work? Um, Uh, could be both.

Um, but Jennifer's getting into the infrastructure portion of this here in just a, in just a minute. Um, but if it's on site, on the property, water to the house, Yeah. So let's say you're that, um, but you need to grade out that piece of land you need to clear and that's part of that Yeah. That's part of the housing assistance side of it.

Yes. Yep. It kind of gets, when we talk infrastructure to me, I'm doing the publicly owned portion, but where Travis might be saying, doing 10 homes in an area that has to be moved in, graded and all that, that because like a neighborhood and that's all Travis that help you, it does breakdown, but.

Okay, so as we've kind of broken into here, we're going into the infrastructure and like I said, I work on the, basically the, uh, publicly owned side. And what

we're gonna embark on here is we hope is to get some of the infrastructure that was damaged. I mean, we already know. I know because I have with this lovely folks here, have several ongoing infrastructure projects that got damaged with this flood.

We know we've got to go back and repair. So what we can do with this money is we can hopefully look at some of those areas, see what we could do to improve it and make it more resilient, because unfortunately we know this could happen again. I don't want it to ever happen again, but we know it's a possibility.

So we want to be able to build you back to where you can re bounce back a little faster and maybe not as that. So one of the things we've got in here this time is storm water management, which will be new. And that's because we know a lot of people have mitigation plans. We know the ads help with mitigation plans.

We know long term, uh, uh, recovery teams have mitigation plans. But a plan is just sitting here. I want you to take that plan off that shelf and let's find something in there and let's actually put it to work. Let's see what we can do to help you. Or if you need a plan, let's look at making you a new storm water plan for your storm watershed, whatever.

You know, we want to look at some of these things. What can we do to help offset set and maybe stop some of the flooding as it exists already. So we are gonna have some new programs coming out with that storm water management and mitigation planning and stuff. I'll be teaming, we will be teaming out with like the Division of Water and some other state agencies to help with these.

Cause I'm gonna tell you, my head's here and it's up here. That's over my head a little bit for me. But we'll struggle through it. We'll get there. Cause I mean, I do have a good team over at the Division of Water that is all on board. So we're gonna, it'll still be the same recovery activities and improvements to your community communities for water, sewer mitigation activities, as I've said, as such as storm water management, both engineered or nature based.

Uh, this will still be going through your units of local government, your cities, your counties, your tribal governments, and they can say that you have none. Uh, so what we'd have to look at would be the defined area. We still pretty much look at your infrastructure projects, just like we would a regular cdbg, but we just have a few more activities and stuff in there that we can go for this time.

Uh, our max, I've got a 25 million budget, and the max per project at this point in time is gonna be set at 3 million. So, I mean, That teamed up with FEMA, you might can get a big project done. You know, it's just a lot. And you might not wanna match us with FEMA either. I mean, you know, FEMA can slow you down.

That's just one of the things to look at as we move forward. How's the fastest? cause you know, like I said, we've got six years from start to finish to get this done.

And now we have this activity here that is planning and you can see we've got 1.5 million set aside in that budget. And you can see we're gonna use 1.2 in the mid areas again, and that another 300,000 left out from the others. So what we're gonna do with this is, like I said, it, existing efforts with your mitigation, your uh, resiliency plan.

Uh, contract with the partnership or something. Like, say you don't have a plan and you need one crafted for you, but you don't have the, like me, you don't have what it takes to make one. But we can do this with you, help you with this to get that person on board and pay for it and help get your plan up and created.

I mean, it's something that a little bit new here that we're gonna look at. We will make these, uh, available on our website. Uh, later on. We will post all these for y'all this late. You know, uh, again, we're gonna drive, Everything's gonna begin the spring of '23, right? Yes. That's all we hope. So here, uh, on this one, he may receive up to \$25,000 for, uh, anywhere between 25,000 to a hundred thousand dollars per plan depends on what your scope is and the type, what we need to do. So it'll be kind of based on that. And again, everybody will need to work just like regular CDBG work with your certified grant administrators, uh, which, uh, that's a normal CDBG thing.

We'll have to look at the capacity for, uh, creating the grant. Things, of course we're gonna do the eligible applicants on the units of local government, that forth and the regular CDBG program on my side, or that's how it is structured at this point in time. So to be eligible, the project might be eligible under cdbg Disaster Recovery.

Have a proposed plan that will mitigate risk, be located in the disaster area and DLG will established. And how we'll look at that is we'll do, uh, weighted scoring, just kinda like what we do with our regular CDBG program right now. We have a scoring system, but it's not a 1, 2, 3 and you get points for that.

But we're gonna change that into this program and things will be scored like, um, with Gabe. Gabe's gonna be looking at, I believe you said your cost for jobs, your LMI, well, with infrastructure, I will, it'll still be some of the similar regular community development stuff, like your low, your lmi, but we're gonna be bringing in stuff like the SVI, which is your social vulnerability index.

The, the higher the lmi, the higher the social, uh, you know, the higher the impact those, the higher that will be the high. That's how we're gonna rank these applications, try to spend this money. I mean, so some things are changing and the infrastructure portion and some things aren't. But like I said, this is just us getting really good and being started.

So we're willing to listen to anything. So I'm gonna over, unless anyone has something for me right now. All right, we're gonna open it up for comments and questions. Um, if you haven't done so already, is everybody signed in, uh, on the sign in sheet up front? No, you don't. If you don't care to do that before you leave, I'd appreciate it.

Um, if you do have a comment, um, we ask that you state your full name, sir. I think you got a couple questions, but we didn't catch your name and maybe you said it and I didn't catch it. I apologize, but you, if you don't care to state your name. K e y, last name d d u t h i t. Thank you sir. Uh, now we're gonna open it up for questions and comments.

Uh, just speak slowly, uh, and clearly. Uh, we'll give you up to three minutes for your question and we'll let you know after 30 seconds is left up. Uh, so you can wrap up your questions. So now I'll turn it over for questions if anyone has any. Don't have any of.

Also for those of you that if you can either that are online, if you would like to unmute, raise your hand and then we can call on you and you can unmute and ask your question. You can type it into the chat.

Yes, sir. All right. I'll, I'll start us off, um, since I've got the, uh, three year old with me . Um, so I'm Pete Dalpith (sp?). I am working with the Brethitt County Long Term Recovery Group. I'm also the medical director of UK Northfolk Valley Clinic here in Hazard, and a lot of the, um, flood relief efforts for the 2022 flood. But a few comments.

One, You know, at Breithitt County was the, the midcounty for, for this project. And so, um, while this building is great and wonderful public comment, probably would've made more sense to have been done in Brethitt County since

that's where most of the us drove from. Um, um, the second thing is, you know, when we look at single family new construction, the 4 million is not a very big piece of the pie because especially here in Eastern Kentucky, that means we're probably seeing 800,000 ish, um, when it's all said and done, which is four new homes.

Um, you know, I really think that the proportion of the money that was set aside for infrastructure and the proportion that was set for rehab of multifamily and rental housing, we don't have any multifamily and rental housing that needs rehabbing, um, because any that got damaged in the last flood got damaged again in the most recent flood.

And do we really want to keep building back in, you know, because basically the, the, the rental housing is, um, you know, trailer courts and they're all by the riverbank and they're gonna flood again. If we keep investing more money and more resources into those same areas, we really need to get out of the flood plain in a way, if we're gonna build this area back in a way that's gonna be more resilient, moving to the future.

So I guess my, my official comment is that, A lot of that infrastructure money. There's been recent infrastructure stuff passed to the state that sort of helped with some of that infrastructure that, um, we need now. We still need some infrastructure, but the percentage compared to what the needs are from the people when we've done needs assessments, it's, it's that they need housing, they need, they need homes.

And um, so any money that can be moved, I think from infrastructure or from rehab of multifamily and rental housing to single family new construction, um, would really benefit and help build wealth for these LMI people that rather than build back in the same location, it's gonna get flooded. Thank you, sir.

Yes, I'll go next. I'm Scott McReynolds with the Housing Development Alliance. Uh, I would echo a frustration that you chose to have the meeting not in the MID, and at five o'clock when folks who work have a difficulty to get here, um, I will acknowledge that you had a, a real difficult challenge you had two very different excuse me, disasters in two very different communities, um, with different topographies.

This plan to me reads a lot like a Western Kentucky tornado disaster relief plan with a flood kind of shoehorn in. And so I would urge you to shift as much as you possibly can since Brethitt County is one of those mids. And, uh, to that

point, I think a couple of things show up. Um, again, this is a flood we cannot rebuild in the same place we did.

We're gonna have to have more new construction dollars for home ownership. Um, the rental housing that was impacted was primarily, uh, trailer parks in quicksand and some other places, and they've been flooded twice. Not necessarily where we wanna rehab. We do desperately need rental. It needs to be rebuilt though, so we need more new construction dollars for Breathitt County and less rental. And I mean less of the rehab. And I do understand the reconstruction fits under the rehab, but we don't wanna rebuild in the same place, so we need more in the new construction. Um, I think even the breakdown between rental and new con and uh, single family again reflects more that Western Kentucky reality.

We're a 70% home ownership, so if we're gonna serve this area, we need more dollars in the single family. Uh, side than the multifamily. Um, why the, I appreciate the, the opportunity as a non-profit to apply directly for the, in a competitive process for the home ownership new construction. I am concerned that, uh, Breathitt County folks are gonna be disadvantaged.

Some of your, um, things like having, uh, you know, we're gonna have more expense cause we have to relocate sites. Um, we're a smaller poor county, so it's gonna be harder for us to come up with match and leverage. Um, so I would encourage you to consider in that competitive process, doing a set aside with the pool.

So you would say, Okay, Breathitt County, we're gonna set aside x number of dollars for you folks from Breathitt County to compete for. And then if after a year or two that money isn't moving, you could open it up and redirect it to Western Kentucky. Otherwise, I fear that most of the, the new construction home ownership money will go to where it's easy to spend.

Their incomes are significantly higher than ours. Almost double. In some cases, it's gonna be easier to move the money out there. Um, I'm also still confused about the \$500,000 limit unless somebody can apply a couple of times for the money. Um, because if with the money, amount of money you have, you, I think you would need someone like 34 applicants.

And I'm not sure, you know, in order to spend 17 million, if you capped at 500,000, you need 30. And I don't know where those are coming from. Uh, there's probably two or three in Breathitt County, so I would, again, if, if you

could apply multiple times, that may be okay. But short of that, I think you've got an issue.

Yes. Go ahead. Please state your name and comment. My name is Virginia Maegher. The last name is spelled m e a g h e r. I'm just here as a citizen and I would say that we need in Breathitt County more, uh, I, I'm not sure the correct term, but more, uh, multi-family housing units, like apartment units together in one building.

Is that the opposite of what you were saying, Keith? No, I'm just saying that we need more new construction. That, that it's that, uh, yeah. I know a lot of times people that have lived out in the country and they've had their house and land and they're very attached to land and they don't wanna live in an apartment, but, you know, facts being what they are, I think it's probably much more economical for us to be building apartment buildings than, uh, single houses with land around it.

I'm Jeff Marble Breathitt County Judge Executive. Uh, my, my biggest worry and don't even think I hear to mention is we're, we're gonna have to come up with some places to. To build on the foot. And I, I didn't see where there was a penny, uh, talked about, about maybe being able to purchase some trip job, uh, reclaim property, uh, that that's suitable for housing.

But then, then, you know, then you're gonna have to have a lot of infrastructure to run water and sewer to these places. And, and I know it's 14 million, but I mean, when you start, you start dealing with even purchasing property and, and building infrastructure. I mean, that's, that's not gonna go far at all, which I mean, I guess I'm complaining, but I, I'm thank by Scott.

You know, uh, um, we we're got a complete different circumstances versus what they got in Western Kentucky. We, we got, we got the same damage they got with wind, but I mean, the water is just devastated. Uh, we got a tornado made with water and I mean, it's just double, double problem. And you know, uh, like you say, our income people are lower and, uh, I think a lot of this money may end up getting shifted to, you know, out Western.

But if we could do a pool of money and cities aside, it wasn't used. I think that's a big plus too for us.

So what y'all would like say is her got a behind your phone. Yes. Go ahead. Online. Hi, this is Michelle StanNet. I'm the Resilience and recovery Fellows program Director for Sbp I was kind of to echo those who have already spoke.

While it's not an issue in western Kentucky, it likely is going to be a giant issue in eastern Kentucky about, um, homeowners being able to afford flood insurance after they have received assistance.

Has DLG considered it is an eligible activity providing up to a year's worth of flood insurance premiums for those low to moderate income homeowners that they end up being beneficiaries of this funding?

No, we have not at this time.

Also a FEMA employee told me that, uh, compared to Western Kentucky, the uh, flood victims in eastern Kentucky were much less likely to have any insurance to cover these damages whatsoever. And therefore FEMAs having to put a lot more money out. And you said the private insurance would be the basic building block.

And on top of that, the FEMA and then this program. But a lot of times there is no insurance involved, so we may need more money for that reason.

Mayor Laura Thomas from Jackson, Kentucky, and I had a question about the 80% that had to be spent in the four counties with the most damages. Will that money be split equally in those four counties or what is the That is not the plan at this time. The plan at this time is that it would, that 80%, it would just be a competitive based on whatever, what applications we've received.

From what I'm hearing, y'all would like to see it split equally. Yes. I don't think there's, I dunno if they're necessarily saying that. I think, like what Scott mentioned, he wanted it kind of set, he wanted it set aside more. I don't know if he's talking about, you know, equal necessarily or split in a certain way, but just that more of a set aside rather than open.

Yeah. I think money's gonna flow easier to Western Kentucky because they, a, they have insurance to begin with. 4% of our population that was hit had insurance. So we're, you know, we're, we're starting off behind. Uh, we've gotta relocate people out of the flood plain. There's lots of things that are gonna slow the flow of money to East Kentucky.

And so if we don't have a mechanism to at least, and I understand you gotta spend it in six years, so I'm not asking to set aside for five and a half years. Uh, but if it's all first come, first served, we won't get our share is my fear. Because of just the, the, the harder the, it's gonna be more challenging to spend the money here.

So to some sort of set aside that allows East Kentucky to kind of catch up and, and get a, a chunk of the money would be great. And kind of how I see this, I, I, you know, they've got injured, no doubt and better job and stuff, but, uh, a million dollar to go farther in Western Kentucky the way I see it than probably 3 million here in eastern Kentucky.

Uh, because of not having insurance, not being, and I mean, um, you know, if you're gonna split fair, I mean, uh, you know, that's just my thought they said

as see if and 40,000 for it to build that home back. It's probably gonna be a hundred to build that same home here in eastern Kentucky because of no insurance. And, you know, ver and has not been the best it, I changed, but mean. It's, it's not, it's not been very suitable to me at all so far. I've got one here,

Go ahead online.

Hi there. Um, I'm Adrian Bush. I am the Executive Director of the Homeless and Housing Coalition of Kentucky. And I wanted, I have two questions. Um, one is, can you confirm how nonprofits will be able to apply for CDBG-DR housing dollars? Um, cause I, you, Travis talked about it, but can you explain that to me again?

Um, it will be that we will have, um, program guidelines coming out, Adrian, uh, later on down the line, that we'll have the actual application process in it. Okay. That's forthcoming. I, I think that's, I mean, I wanna compliment you for that. I think that's important just because many counties and smaller cities.

Typically the housing isn't in their framework or their capacity. So I think it is really important in areas where we have high capacity housing developers who are nonprofits, but they have that option to apply directly. Um, secondly, can you and I will just, I will confess, I have not gone through the 200 plus pages.

Um, so I plan to do that obviously before submitting written comments. But can you talk about how this plan addresses the specific needs of people experiencing homelessness? Hmm.

I mean, I, I think it's, I think, you know, we have the housing component to it. I. I don't know specifically, um, where in the program, you know, we have, I have to go back to the breakdown here, but, um, you know, where we have a, where we specifically have a program designated homelessness, other than, as I mentioned with the housing counseling services, is trying to help homeowners

be homeowners and help renters be renters so that we don't end up with, uh, families that would be, um, trying to prevent homelessness from that aspect.

Okay. I think, I mean, well, like I said, I need to read the 200 plus pages. Um, but one of the ways CDBG-DR differs from traditional FEMA assistance is that it can support activities to address the needs of people experiencing homelessness. Um, as you all have said, we want to, um, Build back better, if you will.

Um, and I think it is important to recognize, um, the impact that these disasters have on extremely vulnerable individuals and try to make sure that they're housing, you know, that they do get access to housing, that we we're just not maintaining the status quo.

Anyone else? Now, if you've already had some several comments, you only get three minutes as a total for yourself. So we have, we have, we have, but go ahead. Okay. Quickly. First of all, Western Kentucky had a head start on us because their disaster happened before us. Secondly, uh, I think it's more costly to build in eastern Kentucky because of our topography.

We don't wanna be building in the flood plain, which flood plains changed. And then it seems you go from the flood plain to the steep hillsides, then the top is pointed and then back down. So it costs a lot of money, as someone was saying to whatever you call, to level out a piece of land halfway up the mountain, uh, and then build a structure.

So it, I think there should be some kind of allowance for that, that we should get at least fourth of money or however you wanna deal with that. And I will, I will clarify this money is for the flood that happened before the Western Kentucky tornado. Not the most recent, not the most recent flooding. Um, that'll be coming on down. Hopefully we'll get money for that after the first of the year because they have set aside some money, like a little two, two and a half billion in the continued resolution. And that is to cover the floods of 20, That is to cover disasters of 2022, which would bring everything that y'all bringing into the table now.

But you know, like I said, there are some areas that did qualify and you're, you're kind of right. Yes, the tornado happened. That is what got us the money. They did tack on. and it was a tack-on the flooding, the 4595. That's the way FEMA did the declaration. So, I mean, but like I said, we're, we're working to try to, we're gonna work, try to make it fair.

Now whether we get any more money for, well, they get more money for the tornado later because there's, the 74 million is, it wouldn't touch them. It's not gonna touch y'all. So, you know, and we, we don't know what's coming down the pipe to cover what is happening Still going on now.

Any, with any luck, we will get more money and we'll be back here to address this again for that specific flood as well. Any other questions that anybody that has not had a chance? Any other questions, additional comments? My comment is we need housing and we need housing and we need housing. Thank you. And the infrastructure to support the housing

One more, Michelle? Yeah, I had one very, very quick, um, question. It looks like from reading the program description of the owner occupied rebuild in the action plan, it says that, um, it can fund additional costs for such as replacing onsite residential infrastructure. I just wanted to clarify that that would make private access bridges technically eligible under that program, correct?

That is correct. Thanks.

Anyone else? Five seconds, Scott. Five seconds. I was just gonna say as you go, as you think about the next round, which is gonna come, I think there are a couple of things that didn't get included in this because it gives attack on like a bowel program that would be really important for flood and, um, perhaps even, uh, a recovery accelerator fund.

There's some things that we can do next time when it's targeted for this area. Um, so please just don't copy and paste.

Oh, Michelle, is that a new hand? No, she left it up. No, I just left it up. . Sorry. . Okay. I'm watch. Oh, okay. Thank you. All right. If there's no further comments or questions, um, I just wanted to get a, all the comments to begin.

Just, uh, I can't break it back up, but just please remember that you can't, there should be one last slide after that that shows where you can get, yeah, uh, that's our personal contact, but there is when you can go locate how to submit your questions and comments to us. Uh, but again, you could also find us on the Department for Local Government's website.

If you went under staff, uh, staff, uh, staff listing, you could also get our phone number, our email address, but they're real easy. Mine is Jennifer Peters k gov gabe k gov, Travis weber gov. So with that, if we have no more questions at this time or online, I would like to thank you all for coming. Please submit your

questions and stuff to us and we'll be glad to look out and address and if we have to, we wanna be able to know how to get in touch with you if we need more information, so if you would, please to, and I greatly appreciate you coming out tonight.

Thank you all. Thank you,

Thank you.

I'm

Whats on? Oh, there's long day.