

Grantee: State of Arkansas

Grant: B-08-DI-05-0001

October 1, 2009 thru December 31, 2009 Performance Report

Grant Number:

B-08-DI-05-0001

Obligation Date:**Grantee Name:**

State of Arkansas

Award Date:**Grant Amount:**

\$90,475,898.00

Contract End Date:**Grant Status:**

Active

Review by HUD:

Original - In Progress

QPR Contact:

Basil Julian

Disasters:

Declaration Number

No Disasters Found

Plan Description:

Areas Affected by the Disasters Throughout 2008, the State of Arkansas was devastated by a series of tornadoes, floods and severe storms that inflicted serious damage to a significant portion of the state. (See Appendix B) In addition to the loss of life and serious injuries that resulted from these natural disasters, damage estimates to public and private buildings and infrastructure soared into the millions of dollars. Table 1 Arkansas Counties Under Disaster Declarations Eligible for PL 110-329, 2008 Assistance Incident Period Disaster Number Declaration Date Number of Counties Affected* February 5, 2008 FEMA #1744 February 7, 2008 12 March 18 - April 28, 2008 FEMA #1751 March 26, 2008 59 September 2 - September 8, 2008 FEMA #1793 September 18, 2008 18 September 13 - September 23, 2008 FEMA #1804 October 22, 2008 20 *Maps of affected counties are included in Attachment A to the Action Plan. 1. FEMA Disaster #1744 On February 7, 2008, President Bush issued a Presidential Disaster Declaration for Arkansas counties damaged by tornadoes and flooding from storms that hit the state on February 5th. The following 12 counties were included in the declaration: Baxter, Conway, Independence, IZARD, Marion, Newton, Pope, Randolph, Sharp, Stone, Union, and Van Buren. 2. FEMA Disaster #1751 On March 18, 2008, President Bush issued a Presidential Disaster Declaration for Arkansas counties damaged by tornadoes and flooding from storms that hit the state beginning March 18th. The following 59 counties were included in the disaster declaration: Arkansas, Baxter, Benton, Boone, Calhoun, Carroll, Clay, Clark, Conway, Craighead, Cleburne, Crawford, Cross, Desha, Faulkner, Franklin, Fulton, Garland, Greene, Hempstead, Hot Spring, Howard, Independence, IZARD, Jackson, Jefferson, Johnson, Lawrence, Lee, Little River, Logan, Lonoke, Madison, Marion, Miller, Mississippi, Monroe, Nevada, Newton, Perry, Phillips, Pike, Poinsett, Pope, Prairie, Pulaski, Randolph, Saline, Scott, Searcy, Sebastian, Sharp, St. Francis, Stone, Van Buren, Washington, White, Woodruff, and Yell. 3. FEMA Disaster #1793 On September 18, 2008, President Bush issued a Presidential Disaster Declaration for Arkansas counties affected by severe storms and flooding from Hurricane Gustav beginning September 2nd. The following 18 counties were included in the disaster declaration: Ashley, Bradley, Calhoun, Chicot, Clark, Cleveland, Conway, Dallas, Drew, Garland, Grant, Hot Spring, Lincoln, Montgomery, Perry, Prairie, Saline, and Van Buren. 4. FEMA Disaster #1804 On October 22, 2008, President Bush issued a Presidential Disaster Declaration for Arkansas counties affected by severe storms and flooding from Hurricane Ike beginning September 13th. The following 20 counties were included in the disaster declaration: Carroll, Clark, Clay, Craighead, Greene, Hempstead, Howard, IZARD, Lafayette, Lawrence, Little River, Madison, Miller, Montgomery, Nevada, Newton, Pike, Randolph, Sharp, and Van Buren. In estimating the need for CDBG assistance in the affected counties, the AEDC will rely upon information supplied by FEMA, ADEM, and the mayors and county judges of Arkansas in conjunction with each district. Since the full extent of the state's needs cannot be determined at this time, the initial Action Plan will only outline the major categories for funding with estimated dollar amounts set aside for each District. Set aside amounts may be adjusted in amendments to the Action Plan should more accurate information become available.

Recovery Needs:

Activities for Which Funding May be Used

On February 13, 2009, the Federal Register published specific requirements regarding the utilization of appropriations provided under PL 110-329. In particular, appropriations must be used for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in

areas affected by hurricanes, flooding and other natural disasters. In addition to meeting one of three national objectives, applicants for funding must achieve one of four specific purposes.

Table 2

National Objectives and Purposes

National Objective Purpose

- « Provide benefit for Low to Moderate Income (LMI) persons « Disaster Relief
- « Address an imminent threat to the health and welfare of the community « Restoration of Infrastructure
- « Eliminate slum or blight conditions « Long Term Disaster Recovery
- « Administration

1. Disaster Relief

This category will be used to fund projects that are related to the short term and immediate effects of the disasters. Examples include roof repair and/or replacement and installation of storm drainage. Projects may repair, replace or upgrade buildings that are either publically owned or that are privately owned but are used for activities that meet a CDBG national objective. Examples of facilities that might be repaired, replaced or upgraded include community centers, fire stations, and homeless shelters. Under the terms of the appropriation, a minimum of \$2,156,733 must be used for affordable rental housing. The AEDC will partner with the Arkansas Development Finance Authority (ADFA) to administer CDBG Supplemental appropriations earmarked for housing. ADFA personnel will supervise the distribution of the housing funds and report on the progress of individual projects through the Disaster Recovery Grant Reporting (DRGR) system.

Applicants must identify by ownership and address any single-family or multifamily unit(s) for low to moderate income households directly impacted by one of the federally declared natural disasters. The application must provide for the rehabilitation or reconstruction of the existing property or the replacement of the units at an alternate site(s) within the same jurisdiction. The applicant must provide documentation from the Federal Emergency Management Agency and/or the Arkansas Department of Emergency Management documenting damage to residential buildings resulting from one of the disasters. ADFA will give priority to those applications identifying the greatest number of impacted low to moderate income rental units. Low-income rental units will be defined to include those properties whose rents at the time of the disaster would be considered affordable under either the Low-Income Housing Tax Credit (LIHTC) or HOME Investment Partnerships Program (HOME).

Eligible applicants are limited to municipalities, counties, and nonprofit entities. All recipients must complete the activities within two years of the date of allocation. The division of responsibilities between AEDC and ADFA is defined in a Memorandum of Understanding (MOU) between the two agencies (See Appendix D).

2. Restoration of Infrastructure

This category will be used to fund projects related to the repair, replacement or upgrading of public infrastructure which was damaged by the disasters, or which proved to be insufficient to handle the public need. Examples include the repair or replacement or upgrading of city water systems or sewer systems, repair or replacement of roads, and the construction of drainage systems.

3. Long-Term Disaster Recovery

This category will be used to fund projects related to the repair of damages of a long-term nature, as well as projects designed to prevent future disasters. Examples of projects that could be funded under this category include drainage improvements, levee improvements, construction of emergency shelters, installation or upgrading of emergency warning systems, the purchase of emergency generators for water and sewer plant operation, and the replacement of doors and windows to prevent future damage or to incorporate new designs in safety and energy efficiency. This category may also be used to fund planning grants designed to prepare the counties or communities to respond to future disasters, and to plan for the long-term economic recovery of areas that were affected by disasters. Examples include the preparation of city and county-wide disaster preparedness plans, and local and regional economic development plans. This category may also be used to fund projects that focus on the long-term economic recovery of affected cities, counties or regions. Examples include the repair, replacement or construction of industrial buildings that were damaged or destroyed by the disasters, or the awarding of incentives to attract new industry to areas that were affected by the disasters.

4. Administration

The regulations which govern the CDBG Supplemental Disaster grants allow for up to 5% of the grant to be used for the administration of the grant. Funds from this line item that are not expended for administration may be transferred to other line items.

Overall	This Report Period	To Date
Total Projected Budget from All Sources	N/A	\$3,046,943.00
Total CDBG Program Funds Budgeted	N/A	\$3,046,943.00
Program Funds Drawdown	\$0.00	\$0.00

Obligated CDBG DR Funds	\$0.00	\$0.00
Expended CDBG DR Funds	\$0.00	\$0.00
Match Contributed	\$0.00	\$0.00
Program Income Received	\$0.00	\$0.00
Program Income Drawdown	\$0.00	\$0.00

Progress Toward Required Numeric Targets

Requirement	Required	To Date
Minimum Overall Benefit Percentage	50.00%	0.00%
Minimum Non-Federal Match	\$0.00	\$0.00
Limit on Public Services	\$13,571,384.70	\$0.00
Limit on Admin/Planning	\$0.00	\$0.00
Limit on State Admin	\$4,523,794.90	\$0.00

Progress Toward Activity Type Targets

Activity Type	Target	Actual
Affordable Rental Housing (KRW and Ike Grants)	\$10,133,300.58	\$0.00

Progress Toward National Objective Targets

National Objective	Target	Actual
Low/Mod	\$45,237,949.00	\$0.00

Overall Progress Narrative:

The deadline for cities and counties to submit pre-application to the planning and development district is October 31, 2009.

Project Summary

Project #, Project Title	This Report Period	To Date	
	Program Funds Drawdown	Project Funds Budgeted	Program Funds Drawdown
794-IKE ADMIN, IKE DISASTER ADMIN	\$0.00	\$0.00	\$0.00
9999, Restricted Balance	\$0.00	\$70,181,041.00	\$0.00