

# State of Oklahoma

## Disaster Recovery Program

### Action Plan

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**Second Round Allocation (\$83.1 Million)**

Submitted to the

U.S. Department of Housing and Urban Development

By The State of Oklahoma

October 3rd, 2014

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## I. Executive Summary

The State of Oklahoma Action Plan for Community Development Block Grant Program Disaster Recovery (this “Action Plan”) must be submitted by the State of Oklahoma (the “State”) to the U.S. Department of Housing and Urban Development (“HUD”) as a condition to its receipt of \$83,100,000 of federal funding under the Community Development Block Grant – Disaster Recovery (CDBG-DR) Program (the “Funding”). The Funding was authorized under the Disaster Relief Appropriations Act (the “Act”), which was signed into law by President Barack Obama on January 29, 2013. The allocation of the Funding to the State is intended primarily to enable it to address immediate unmet housing and economic revitalization needs in those counties and jurisdictions that were most severely impacted by the Presidentially Declared disasters in 2013, 2012, and 2011.

The State is required to submit this Action Plan and obtain its approval by HUD before it can receive any portion of the Funding. This Action Plan describes the programs and activities for which the State intends to expend the Funding in compliance with the federal requirements set forth in public notices released by HUD on March 5, 2013, in the Federal Register at Vol. 78, No. 43, Page 14329 entitled: “Allocations, Common Application, Waivers and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy” (FR-5696-N-01); April 19, 2013 in the Federal Register at Vol. 78, No. 76, page 23578 entitled: “Clarifying Guidance, Waivers and Alternative Requirements for Hurricane Sandy Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds” (FR-5710-N-01); and December 16, 2013 in the Federal Register at Vol. 78, No. 241 page 76154 “Allocations, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery Funds in Response to Disasters Occurring in 2013” (FR-5696-N-07) (collectively, the “Federal Register Notice”). On June 3, 2014, HUD released its CDBG-DR Program allocations and program requirements in the Federal Register at Vol. 79, No. 106, Page 31964 in a notice entitled: “Second Allocation, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery Funds in Response to Disasters Occurring in 2013”.

This \$83.1 million disaster recovery funding allocation marks the second of two disaster recovery allocations provided through HUD to the State of Oklahoma. The earlier \$10.6 million (December 16, 2013 in the Federal Register at Vol. 78, No. 241) disaster recovery funding has been allocated under a previous CDBG Disaster Recovery Action Plan.

In accordance with the Federal Register Notice, this Action Plan must also provide an assessment of the need for the Funding, the State's public outreach and citizen participation practices. The State is obligated to ensure that the processes, procedures, and fiscal and administrative controls it will use in the course of expending the CDBG-DR funding are sufficient to safeguard the Funding from waste, fraud and abuse.

The Federal Register Notice also imposes strict expenditure and compliance deadlines on the State. Accordingly, HUD is allowing Grantees to request less than the full funding amount in a Partial Action Plan. The State of Oklahoma, like other states to which CDBG-DR Program funds were allocated by HUD, will pursue incremental obligation of the Funding to support its tornado relief and restoration programs and activities to ensure compliance with HUD's deadlines. Specifically, the State is requesting that HUD make \$16,661,243 available immediately upon approval of this Action Plan. HUD has assured the State that as it submits additional requests for additional portions of the Funding to be released, so long as everything is in order, they will approve the request promptly and without delay.

ODOC/CD is currently accepting CDBG-DR applications through the State's online OKGrants' system. The State has reviewed and preliminarily approved several applications for disaster funding at this time. The State will continue to accept and evaluate CDBG-DR applications for ELIGIBLE disaster recovery activities as long as funding and time restrictions permit. Any additional requested disaster activity funding will be subject to the same expenditure and compliance deadlines set forth in the Federal Register Notice and CDBG-DR program selection priorities established by the State.

Additionally, ODOC/CD reserves the right to adjust any of the CDBG-DR funding to ensure maximum utilization of funds. Such CDBG-DR "Reuse" funding adjustments shall be the minimum amount necessary to fund projects efficiently. CDBG-DR Reuse funds are defined as the funds available from the cancellation of projects; from projects completed under budget; or from funds designated but not allocated. The CDBG-DR Reuse funding is also being made available to offset any unforeseen project eligible cost increases such as in the case of construction. All CDBG-DR Reuse funding will be subject to the same expenditure and compliance deadlines set forth in the Federal Register Notice.

Currently, ODOC/CD has reviewed and approved applications for the following activity categories shown in the table below. The total allocation amount below reflects \$60,148,668 in CDBG-DR funding or approximately 72% of the total \$83.1 million authorized CDBG-DR (Second Allocation) funding for the State of Oklahoma. As stated previously, the State will continue to accept and evaluate CDBG-DR applications for ELIGIBLE disaster recovery activities as long as funding and time restrictions permit.

**TABLE 1: STATE OF OKLAHOMA: CDBG-DR Second Round (\$83.1 Million) Proposed Allocations**

Activity	Proposed Allocation	Request for Partial Allocation
<b>Housing (Owner-Occupied and Multi-family Housing)</b>	<b>\$ 5,000,000</b>	\$5,000,000
<b>Infrastructure</b>	<b>\$47,970,917</b>	\$6,278,227
<b>Resiliency &amp; Mitigation</b>	<b>\$4,500,000</b>	\$4,500,000
<b>Public Facilities</b>	<b>\$0.00</b>	\$0.00
<b>Economic Revitalization</b>	<b>\$0.00</b>	\$0.00
<b>Planning</b>	<b>\$0.00</b>	\$0.00
<b>Administration</b>	<b>\$2,677,751</b>	\$883,016
<b>TOTAL</b>	<b>\$60,148,668</b>	<b>\$16,661,243</b>
<b>FUTURE RESERVED DR FUNDING</b>	<b>\$22,951,332</b>	-----
<b>ALLOCATION TOTAL</b>	<b>\$83,100,000</b>	-----

The Act provides that funding under the CDBG-DR Program must be used “for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster.”

In addition to specifying the amount of funds allocated to the State, the Federal Register Notice also sets forth, among other requirements, the areas within the State where the Funding can be expended, the programs or activities for which the Funding can be used, and the national objectives that each program or activity must meet.

Per the Federal Register Notice, the only areas in which the funding can be expended lie in Presidentially Declared Disaster areas of the state dating back from 2011 to 2013 occurring during the incident period as defined under the applicable Disaster Declaration. This requirement is consistent with the damage and impact assessments that were reported by the Federal Emergency Management Agency ("FEMA") the U.S. Small Business Administration ("SBA"), the Oklahoma Department of Emergency Management as well as municipalities within the impacted counties. Within these eligible areas, the Federal Register Notice requires that a minimum of \$41,228,000 of the total State CDBG-DR funding must be expended in Cleveland and Creek Counties. The remaining funding will be available for remaining program eligible State disaster areas.

As outlined by the Federal Register Notice, the City of Moore will receive a separate CDBG-DR Program funding allocation which will remain independent of the State's CDBG-DR Program funding allocation. Given this, the City of Moore is charged with submitting an independent CDBG-DR Action Plan to HUD on the City's behalf. The City of Moore expects to use its Community Development Block Grant Disaster Recovery allocation to render disaster aid within that respective jurisdiction. It is for this reason that the State's Community Development Block Grant - Disaster Recovery plan will NOT contain any direct disaster related information and will NOT provide any additional funding allocation to the City of Moore.

Broad categories for CDBG-DR Program eligible activities include: Housing, Infrastructure, Public Facilities, Economic Revitalization, and Planning. A limited portion of the funds may be used for the cost of administering the CDBG-DR Program.

Some of the specific CDBG-DR Program eligible activities that HUD has identified include the following:

- Acquisition of real property;
- Acquisition, rehabilitation and construction of public works and facilities;
- Buyouts;
- Code enforcement;
- Relocation assistance;
- New construction, reconstruction and rehabilitation of residential and nonresidential properties;
- New construction, reconstruction and rehabilitation of public housing;
- Repair or rehabilitation of infrastructure;
- American Disability Act improvements;
- Rental assistance (limited); storm mitigation measures;
- Special economic development including: grants and loans to SBA-defined small businesses, job training, and the revitalization of business districts;
- Fair housing counseling;
- Homeownership counseling and assistance;
- Assistance to Community-Based Development Organizations for neighborhood revitalization, community economic development, energy conservation projects, homeownership assistance, fair housing, planning, and administrative costs, including actions to meet the grantee's certification to affirmatively further fair housing.

With respect to CDBG-DR Program eligible activities, the State must also ensure that at least 50% of its CDBG-DR grant funds are used for activities that benefit low- and moderate-income (“LMI”) persons. LMI persons are defined for the purposes of the CDBG-DR Program as persons and families whose income does not exceed 80% of the area median income (“AMI”), as determined by HUD. This 50% requirement applies to the State’s expenditure of the entirety of the Funding, less administration and planning, and does not apply to each individual program or activity. For the purposes of this Action Plan, that would mean a minimum of \$41,228,000 of these funds must be obligated to the national objective of benefitting low- and moderate- income persons.

As set forth in the Federal Register Notice, the Funding cannot be used for any of the following purposes: to assist second homes (as defined in IRS Publication 936); and to assist private utility companies or organizations.

In addition, all expenditures of the Funding, other than Administration and Planning, must meet at least one of the three federally-mandated national objectives (each a “National Objective”): low- and moderate income benefit; elimination of slum and blight; and urgent need.

Any activity not listed in the Housing and Community Development Act, as modified by the Federal Register Notice, is not an activity for which any of the Funding can be used unless a specific waiver of such ineligibility has been granted by HUD and/or the federal Office of Management and Budget.

States may request additional waivers of program requirements by providing sufficient evidence that such waiver is necessary for the effective administration of the Funding. As of the date of this Action Plan, the State has not requested any such specific waivers. The State reserves the right to pursue such waivers under all broad program categories as may be appropriate and necessary as additional information relative to “unmet need” and other parameters are obtained.

Governor Mary Fallin has designated the Oklahoma Department of Commerce (“ODOC”) the principal state agency for the allocation and administration of Funding. ODOC will administer the Funding through application processes. The eligibility requirements identified by ODOC include the following (though not all requirements will apply to all types of projects):

- Applicants must be “Eligible Applicants” as defined by HUD program regulations, as modified by the Federal Register Notice:

- Each proposed activity must be an “Eligible Activity” as defined by HUD program regulations, as modified by the Federal Register Notice;
- Each project must meet at least one National Objective and such National Objective(s) must be fully supported within the application;
- Consistency with the goals and strategies of the Action Plan must be demonstrated;
- Fair Housing and Equal Opportunity compliance must be evidenced by a Fair Housing Action Plan that complies with ODOC’s guidelines/policies; and
- Each applicant must be in compliance with all existing assistance agreements with ODOC and cannot be in default under any OHFA or HUD-administered program.

In addition to meeting the federal obligations associated with the Funding, this Action Plan reflects the fact that the State’s first priority is to get financial assistance to as many affected residents as possible, assisting them in the repair or reconstruction of their homes to get their lives back in order, and to small businesses to get their business running and get our local economy back in business. The State, acting through ODOC, will use the Funding to provide financial assistance directly to assist eligible homeowners, multi-family property owners (possibly including public housing authorities), small businesses, municipalities and other eligible recipients to ensure the State’s recovery from the damage caused by the tornadoes in all areas for which the Funding can be used under applicable federal regulations.

This Action Plan describes the priorities that the State has used to allocate the Funding among the eligible activities. Again, it is important to note that this Action Plan requests immediate access to the first tranche of the CDBG-DR funding but is in no way an indication that the State does not intend to expend all of the Funding as quickly and effectively as possible.

## **II. Introduction**

In January 2013, in response to the extraordinary destruction caused by Hurricane Sandy, Congress passed, and the President signed into law, The Disaster Relief Appropriations Act, also known as Public Law 113-2 (the “Act”), which, among other things, appropriated approximately \$50 billion for recovery efforts related to Hurricane Sandy and other natural disasters specified in the Act (supplementing almost \$10 million that Congress had appropriated for the National Flood Insurance Program earlier that month). Of those funds, approximately \$16 billion was set-aside for the Community Development Block Grant -

Disaster Recovery Program (the “CDBG-DR Program”) to be administered by the United States Department of Housing and Urban Development (“HUD”).

On June 3, 2014, HUD released its initial CDBG-DR Program allocations and program requirements in the Federal Register at Vol. 79, No. 106, Page 31964 in a notice entitled: “Second Allocation, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery Funds in Response to Disasters Occurring in 2013”.

This \$83.1 million disaster recovery funding allocation marks the second of two disaster recovery allocations provided through HUD to the State of Oklahoma. The earlier \$10.6 million (December 16, 2013 in the Federal Register at Vol. 78, No. 241) disaster recovery funding has been allocated under a previous CDBG-DR Action Plan. For the purposes of this plan, the earlier \$10.6 million will be also referred to as the CDBG-DR “First Allocation”.

HUD’s allocation of CDBG-DR Program funds was based on its estimate of critical unmet needs for repairing and rebuilding housing and infrastructure and economic revitalization in the most impacted areas, primarily using data provided by FEMA.

Per the Federal Register Notice, the only areas in which the funding can be expended lie in Presidentially Declared Disaster areas of the state dating back from 2011 to 2013 occurring during the incident period as defined under the applicable Disaster Declaration. This requirement is consistent with the damage and impact assessments that were reported by the Federal Emergency Management Agency (“FEMA”) the U.S. Small Business Administration (“SBA”), the Oklahoma Department of Emergency Management as well as municipalities within the impacted counties. Within these eligible areas, the Federal Register Notice requires that a minimum of \$41.2 million of the total State CDBG-DR funding must be expended in Cleveland and Creek Counties. The remaining funding will be available for remaining program eligible State disaster areas.

The following list includes the federal Disaster Declarations and eligible counties accounted for under the eligible declaration.

#### **Oklahoma Severe Winter Storm (DR-4164)**

**Incident period: December 5, 2013 to December 6, 2013**

Major Disaster Declaration declared on January 30, 2014

*Counties Included: Choctaw, Le Flore, McCurtain, Pushmataha*

**Oklahoma Severe Storms and Tornadoes (DR-4117)**

**Incident period: May 18, 2013 to June 2, 2013**

Major Disaster Declaration declared on May 20, 2013

*Counties Included: Atoka, Canadian, Coal, Cleveland, Craig, Haskell, Hughes, Latimer, LeFlore, Lincoln, McClain, McIntosh, Nowata, Oklahoma, Okfuskee, Okmulgee, Ottawa, Pittsburg, Pottawatomie, Pushmataha, Seminole*

**Oklahoma Severe Winter Storm and Snowstorm (DR-4109)**

**Incident period: February 24, 2013 to February 26, 2013**

Major Disaster Declaration declared on April 8, 2013

*Counties Included: Alfalfa, Beaver, Beckham, Blaine, Custer, Dewey, Ellis, Garfield, Grant, Kay, Kingfisher, Major, Noble, Roger Mills, Washita, Woods, Woodward*

**Oklahoma Freedom and Noble Wildfires (DR-4078)**

**Incident period: August 3, 2012 to August 14, 2012**

Major Disaster Declaration declared on August 22, 2012

*Counties Included: Cleveland, Creek*

**Oklahoma Severe Storms, Tornadoes, Straight-line Winds, and Flooding (DR-4064)**

**Incident period: April 28, 2012 to May 1, 2012**

Major Disaster Declaration declared on June 14, 2012

*Counties Included: Alfalfa, Craig, Grant, Kay, Nowata*

**Oklahoma Severe Storms, Tornadoes, Straight-line Winds, and Flooding (DR-1989)**

**Incident period: May 22, 2011 to May 25, 2011**

Major Disaster Declaration declared on June 6, 2011

*Counties Included: Blaine, Caddo, Canadian, Craig, Delaware, Grady, Jefferson, Kingfisher, LeFlore, Logan, Major, McClain, Nowata, Osage, Ottawa*

### **Oklahoma Severe Storms and Flooding (DR-1988)**

**Incident period: April 21, 2011 to April 28, 2011**

Major Disaster Declaration declared on May 27, 2011

*Counties Included: Adair, Cherokee, Delaware, Haskell, LeFlore, McIntosh, Muskogee, Okmulgee, Pittsburg, Sequoyah*

### **Oklahoma Severe Winter Storm and Snowstorm (DR-1985)**

**Incident period: January 31, 2011 to February 5, 2011**

Major Disaster Declaration declared on May 13, 2011

*Counties Included: Creek, Craig, Jefferson, Logan, Mayes, Nowata, Okmulgee, Osage, Ottawa, Pawnee, Pottawatomie, Rogers, Stephens, Tulsa, Wagoner, Washington*

### **Oklahoma Severe Storms, Tornadoes, and Straight-Line Winds (DR-1970)**

**Incident period: April 14, 2011**

Major Disaster Declaration declared on April 22, 2011

*Counties Included: Atoka, Pushmataha*

The Federal Register Notice provides that funding under the CDBG-DR Program must be used “for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster.”

This Action Plan primarily focuses on the State’s proposed second allocation (\$83.1 Million) use of the Funding, specifically the immediate unmet needs of individuals and families for housing and business assistance affected by the multiple disasters as well as assisting local governments in repairing, rebuilding infrastructure as well providing for greater resiliency statewide. The State expects to use future allocations

of CDBG-DR Program funds by HUD to fund infrastructure and public facility rehabilitation and resilience efforts as well as to continue to address the unmet needs of homeowners, owners of multifamily dwellings.

Governor Fallin has designated the Department of Housing (“ODOC”) as the principal state agency for the administration of the Funding. ODOC will oversee the expenditure of the Funding to assist impacted residents, organizations and municipalities with their recovery and rebuilding efforts. ODOC will administer the Funding directly or through Units of Local Government (“ULG’s”) to benefit homeowners, property owners, business owners and other beneficiaries.

In accordance with the Federal Register Notice, the State is required to prepare and submit this Action Plan to describe the proposed use of the Funding, including:

- The proposed use of the Funding;
- The criteria for eligibility under any program or activity for which the Funding is to be used;
- How the use of the Funding will address the long-term recovery, restoration of housing, infrastructure and economic revitalization in most impacted and stressed areas;
- The process for Citizen Participation; and
- The standards for grant administration.

This Action Plan must be submitted to HUD within 120 days of the Effective Date of the Federal Register Notice (i.e. October 9th, 2014). The State must obtain HUD’s approval of the Action Plan before the State can access the Funding. The programs and activities set forth in this Action Plan and the policies, processes, and procedures in accordance with which ODOC will administer the Funding will comply with all applicable federal requirements, including all requirements specifically set forth in the Federal Register Notice. Without limitation, these requirements include the requirement that at least 44% of the Funding must be expended in the most affected areas in Cleveland and Creek Counties; that 50% must be expended to benefit low- and moderate-income (“LMI”) persons, and that all of the Funding must be used for eligible activities that achieve at least one of the three federally-mandated national objectives (each a “National Objective”): low- and moderate income benefit; elimination of slum and blight; and urgent need.

The Federal Register Notice also imposes strict expenditure and compliance deadlines on the State. Accordingly, HUD has strongly recommended that the State not request the entire Funding at the time of its submission of this Action Plan. Based on this advice, the State, like other states to which CDBG-DR Program funds were allocated by HUD, will pursue the incremental obligation (tranches) of the Funding to support its tornado relief and restoration programs and activities (as applications are approved and projects become shovel ready) to ensure compliance with HUD's deadlines. Specifically, the State is requesting that HUD make \$16,661,243 available immediately upon approval of this Action Plan. HUD has assured the State that as it submits additional requests for additional portions of the Funding to be released; such funds will be available promptly and without delay.

This Action Plan was developed after extensive public outreach, data collection, consultation and input from a host of stakeholders, constituents, organizations and other state agencies, as described in more detail in this Action Plan.

### **III. Disaster Impact and Response**

#### **Overview**

As previously noted and as specified in the June 3, 2014 Federal Register Notice Vol. 79, No. 106, the State sustained multiple disasters occurring from 2011 to 2013. These disasters were far reaching throughout the fifty-seven (57) counties identified under the Presidential Disaster Declarations. Such disasters included; tornadoes, wildfires, flooding, straight-line winds, and winter snowstorms. Disaster related damage resulting from tornadoes (2013) and wildfires (2012) occurring in Cleveland and Creek counties respectively account for the majority of the disaster related damage. A Damage Assessment Report (August 6, 2013) covering the tornado disaster impact area appears as Appendix A in this Action Plan and contains a more detailed assessment of the Moore tornado event of 2013. This single disaster proved to be the most significant event of the Federal Register Notice time period.

Since the initial assessment of the storms' impact, inquiries have been made to the State of Oklahoma Department of Emergency Management to update disaster impacts. However, the Department reported that there is no additional State disaster information available. Because several years have passed and vigorous steps have been taken toward recovery, the State determined that a survey was needed to update recovery efforts and determine the unmet needs still existing. As mentioned previously, CDBG\_DR funds must be used to cover "unmet" storm related disaster needs. Given these circumstances, the State

prepared both mailed and emailed surveys to representatives of various units of general local governments (counties, cities, towns), HUD assisted housing, and LITHC housing located within the eligible disaster areas. US Census (American Community Survey) data was also examined as well to help better identify targeted groups which could possibly address the LMI requirement set forth in the Federal Register Notice.

The following list includes the Presidential Disaster Declarations and eligible counties accounted for under the eligible declaration. The listing also denotes the incident period in which the disaster occurred.

#### **Oklahoma Severe Winter Storm (DR-4164)**

**Incident period: December 5, 2013 to December 6, 2013**

Major Disaster Declaration declared on January 30, 2014

*Counties Included: Choctaw, Le Flore, McCurtain, Pushmataha*

#### **Oklahoma Severe Storms and Tornadoes (DR-4117)**

**Incident period: May 18, 2013 to June 2, 2013**

Major Disaster Declaration declared on May 20, 2013

*Counties Included: Atoka, Canadian, Coal, Cleveland, Craig, Haskell, Hughes, Latimer, LeFlore, Lincoln, McClain, McIntosh, Nowata, Oklahoma, Okfuskee, Okmulgee, Ottawa, Pittsburg, Pottawatomie, Pushmataha, Seminole*

#### **Oklahoma Severe Winter Storm and Snowstorm (DR-4109)**

**Incident period: February 24, 2013 to February 26, 2013**

Major Disaster Declaration declared on April 8, 2013

*Counties Included: Alfalfa, Beaver, Beckham, Blaine, Custer, Dewey, Ellis, Garfield, Grant, Kay, Kingfisher, Major, Noble, Roger Mills, Washita, Woods, Woodward*

#### **Oklahoma Freedom and Noble Wildfires (DR-4078)**

**Incident period: August 3, 2012 to August 14, 2012**

Major Disaster Declaration declared on August 22, 2012

*Counties Included: Cleveland, Creek*

#### **Oklahoma Severe Storms, Tornadoes, Straight-line Winds, and Flooding (DR-4064)**

**Incident period: April 28, 2012 to May 1, 2012**

Major Disaster Declaration declared on June 14, 2012

*Counties Included: Alfalfa, Craig, Grant, Kay, Nowata*

#### **Oklahoma Severe Storms, Tornadoes, Straight-line Winds, and Flooding (DR-1989)**

**Incident period: May 22, 2011 to May 25, 2011**

Major Disaster Declaration declared on June 6, 2011

*Counties Included: Blaine, Caddo, Canadian, Craig, Delaware, Grady, Jefferson, Kingfisher, LeFlore, Logan, Major, McClain, Nowata, Osage, Ottawa*

#### **Oklahoma Severe Storms and Flooding (DR-1988)**

**Incident period: April 21, 2011 to April 28, 2011**

Major Disaster Declaration declared on May 27, 2011

*Counties Included: Adair, Cherokee, Delaware, Haskell, LeFlore, McIntosh, Muskogee, Okmulgee, Pittsburg, Sequoyah*

#### **Oklahoma Severe Winter Storm and Snowstorm (DR-1985)**

**Incident period: January 31, 2011 to February 5, 2011**

Major Disaster Declaration declared on May 13, 2011

*Counties Included: Creek, Craig, Jefferson, Logan, Mayes, Nowata, Okmulgee, Osage, Ottawa, Pawnee, Pottawatomie, Rogers, Stephens, Tulsa, Wagoner, Washington*

#### **Oklahoma Severe Storms, Tornadoes, and Straight-Line Winds (DR-1970)**

**Incident period: April 14, 2011**

Major Disaster Declaration declared on April 22, 2011

*Counties Included: Atoka, Pushmataha*

## IV. Unmet Needs Assessment

Unmet need exists in the areas of housing, infrastructure, resiliency / mitigation and planning. Data to determine the unmet need was compiled from unmet need requests provided by an ODOC unmet needs survey conducted from June 26, 2014 through August 8, 2014. Disaster Recovery notification letters were individually mailed to each of the fifty-seven (57) disaster eligible counties across the State. Disaster Recovery notification letters were also mailed to each of the State's eleven (11) Substate Planning Districts. An email database of approximately three-thousand (3,000) from ODOC's *Community Developer* newsletter was also utilized in conjunction with the ODOC disaster recovery website. Additionally, supplemental data from HUD's Oklahoma City Field Office and FEMA was also used. The unmet needs survey was targeted at the fifty-seven (57) Oklahoma counties and their inclusive municipalities which qualified under the 2011, 2012, and 2013 Presidential Disaster Declarations as specified in the Federal Register Notice. Below is a summary of the results from the survey contained in the ODOC disaster recovery notification letters. **Please note that these survey results are the initial response to the inquiry of the State's unmet disaster needs. Because these unmet needs are based off simple requests and not substantiated by an official application, this listing DOES NOT reflect a final eligibility of such requested activities. The FINAL eligibility assessment will be conducted upon evaluation of an officially submitted Disaster Recovery application through the State's OKGrants' system.**

### **CDBG DISASTER RECOVERY SECOND ALLOCATION (\$83.1 MILLION) SURVEY SUMMARY – AS OF 8/8/2014 SUBMISSION DEADLINE**

- Total Submissions – 89 Units of General Local Government (UGLG's)
- Total Disaster Funding Requested – **\$253,818,251.68**
- Total Individual Funding Activities Requested Among the 89 UGLG's – 371
- Projects Directly DR Ineligible: 8 (\$3,542,289.75)
- Project Administration Directly Specified in Letter of Intent: 2 (\$2,222,869.98) Note: No Other UGLG's Requested Administration Amounts as Part of the Letter of Intent.
  
- Cleveland County – (Cleveland / Norman) 67 Activities (\$49,221,000.00) Does NOT include OKC/Cleveland County Activities
- Creek County – 136 Activities (\$43,435,673.46)
- Oklahoma City – 22 Activities (\$87,501,550.00)
- Balance of State – 145 Activities (\$73,660,028.22)
  
- Activities Requested from 2011 Disaster Declarations: 125 (\$62,789,432.64)
- Activities Requested from 2012 Disaster Declarations: 181 (\$60,677,272.96)

- Activities Requested from 2013 Disaster Declarations: 62 (\$125,728,676.10)
- Activities Requested with Disaster Event Occurring Outside of Allowed Years (2011, 2012, & 2013): 1 Activity (\$2,400,000.00)

**CDBG-DR Categories (Total Request - \$253,818,251.68)**

- **Housing** – 3 Activities (\$9,000,000.00) **3.5%**
- **Infrastructure** – 90 Activities (\$156,902,371.60) **61.8%**
- **Planning** – 10 Activities (\$15,403,444.00) **6.1%**
- **Public Facilities** – 14 Activities (\$1,748,582.64) **0.7%**
- **Resiliency** – 250 Activities (\$59,640,983.46) **23.5%** Includes: Emergency Equipment, Generators, Storm Sirens, Housing Clearance for Flood Plain Issues, Storm Shelters/Safe Rooms.
- **Economic Development** – 1 Activity (\$900,000 INELIGIBLE) **0.4%** Project DID NOT Relate To Disaster.
- **Administration** – 2 Activities (\$2,222,869.98) **0.9%** This amount will not reflect actual administration at the time of the final DR plan. This amount only shows what was included in the Letter of Intent listings. Federal guidance allows for up to 5% Administration.
- **UNKNOWN** – 1 (\$8,000,000.00) **3.2%** **\*\*NOTE: Requested \$8 million in funding but did not provide any detailed list of requested DR activities.**

## Housing Needs Assessment

### Owner-Occupied Unmet Need

Unmet Housing needs comprised a relatively small 3.5% of the overall disaster unmet needs requests. Owner Occupied Housing (New Construction) resulting from wildfire destruction ranked behind Multifamily housing unmet need in terms of housing related monetary requests. Approximately 400 housing units in Creek County were identified by FEMA and confirmed by HUD to have sustained some level of damage in a 2012 wildfire event.

The experience following Gulf Coast and Northeastern storms suggests the level of owner occupied housing rehabilitation need:

- Increases in cost as supplemental damage is incurred post disaster;
- Increases in cost as local and state building codes are reset;

- Is undercounted initially due to evacuation, program misunderstanding by potential applicants, undocumented families' reluctance to request benefits; and voluntary household relocation

In addition, the State requires that any housing subsidized with federal dollars meet the applicable State or local code. The base unmet need as identified by FEMA and the municipalities was increased by 10% to account for the factors noted.

FEMA data for the affected areas of the State indicate approximately 19% of owners were uninsured statewide with widely divergent results on a county by county basis.

### **Multifamily Unmet Need**

Multifamily housing unmet need ranked first in terms of overall housing related monetary requests. Only one unmet needs survey response was received by the deadline from eligible municipalities, public housing authorities. The survey response located within the City of Mannford for a forty (40) unit elderly housing complex for a total of \$5,000,000 in unmet need.

### **Homelessness, Transitional and Supportive Facilities, Units and Populations**

To date, the State has received information identifying a subsidiary of the Oklahoma City Public Housing Authority has having an unmet need for physical or structural repairs. No other entity has identified a need for financial assistance to address an increase in homeless individuals or families or physical damage to homeless or transitional housing facilities for any of the events covered by the Federal Register Notice.

As the State continues to work on recovery efforts, and continues planning activities for future disasters, it will continue to reach out to public housing authorities, owners/operators of HUD-assisted housing, homeless service and shelter providers, as well as the owners and managers of both transitional and permanent housing for the homeless in order address any newly identified unmet needs that may arise.

Should information relative to unmet need associated with alleviating the pressures of homelessness associated with the devastation caused by the storm become apparent, the State is committed to allocating any necessary resources from the next allocation of funding, consistent with all federal requirements and obligations. (The State of Oklahoma receives Emergency Shelter Grant Funding and

Special Needs Grant funding to support homeless and transitional housing needs in the Oklahoma City area. Details regarding planned support for these populations will be provided separately).

### **Economic Revitalization Needs Assessment (Impact to the State's Economy)**

No CDBG-DR eligible Economic Revitalization unmet needs survey responses were received. The multiple disasters impacted the State's economy by temporarily or permanently specific economic activity, including, for example, cancelled tourist visits, forgone business revenue due to shuttered offices, and wages not paid to workers who could not work during the storm and in its aftermath. In addition, the physical damage to residential housing, commercial buildings, public facilities, infrastructure and business equipment and inventory required new unplanned expenditures that diverted funds that could otherwise be reasonably expected to have been directed towards savings and investment. This could be viewed as a reduction in the State's wealth and stock of productive resources.

Separately, damages to public infrastructure such as roads, drainage as well as compromised water and electrical utility systems have caused significant interruption on the State's economy and have had a corresponding negative impact on businesses trying to recover after the storm.

### **Infrastructure Needs Assessment**

Based on the State's needs assessment survey, public outreach and FEMA reports, it is clear that unmet infrastructure needs rank number one due to sustained significant damage to infrastructure as a result of the multiple disasters occurring over the past three years (2013, 2012, 2011). It should be noted that infrastructure stands as the single largest category in terms of unmet needs among all eligible CDBG-DR categories as defined by this Action Plan. Unmet infrastructure needs comprised 61.8% of the overall disaster unmet needs requests.

Infrastructure unmet needs are, for the purpose of this Action Plan, limited to the repair and replacement of existing infrastructure. This includes the construction of new infrastructure or 'hardening' of existing infrastructure damaged due to the subsequent disasters occurring in 2011, 2012, and 2014.

The largest unmet need identified to date in the area of infrastructure is the repair or replacement of roads and drainage systems. These two categories combined constitute 57% of the total infrastructure repair and

replacement activities identified. In total, nearly 51% of the activities identified as having unmet needs are located in Oklahoma and Cleveland counties.

**TABLE 2: INFRASTRUCTURE UNMET NEED**

Activity	Percent of Total	Total Unmet Need	Creek County	Cleveland County	Balance of State
Drainage	34%	\$52,615,888	\$0	\$0	\$52,615,888
Roads	23%	\$35,547,085	\$1,200,000	\$27,876,938	\$6,470,147
Water & Sewer	23%	\$36,470,337	\$7,298,000	\$24,055,000	\$5,117,337
Bridges	18%	\$28,497,547	\$0	\$16,627,000	\$11,870,547
Other	2%	\$771,514	\$0	\$0	\$771,514
<b>TOTALS</b>	<b>100%</b>	<b>\$153,902,372</b>	<b>\$8,498,000</b>	<b>\$68,558,938</b>	<b>\$76,845,434</b>

Infrastructure projects represent a wide range of unmet need encompassing numerous types of infrastructure repair, including, for example, repairing or replacing roads and bridges damaged during the multiple disasters and in their subsequent clean-up.

Infrastructure activities will include the construction or reconstruction of drainage systems. The State’s needs assessment indicates a large unmet need for infrastructure repairs related to damaged drainage systems. Road repairs can be noted as following as a close second in terms of unmet infrastructure needs. Anticipated uses of infrastructure funds are expected to include a focus on road and drainage improvements.

Moreover, the calculation of unmet needs in the infrastructure and public facilities areas is not intended to be comprehensive as much of the necessary data is not yet available. The State will continue to collect and analyze data in connection with future allocations of funding under the CDBG-DR Program.

### Public Facilities Needs Assessment

Unmet Public Facilities needs comprised a small 0.7% of the overall disaster unmet needs requests. The State has identified several public building projects as directly ineligible CDBG-DR funding. This reduced the overall actual number of requests. These ineligible projects related to miscellaneous public building

maintenance / repairs that could not be directly attributed to storm damage. Overall, public facilities projects represent a very small portion of the overall demonstrated unmet need.

### Mitigation & Resiliency Needs Assessment

Based on the State’s needs assessment survey and public outreach, demand exists for resiliency / mitigation investments. One aspect of this category is the establishing safe rooms or shelters in private residences and public facilities. Since the multiple disasters occurring in 2011, 2012 and 2013, there has been a large public demand to create safe rooms or install storm shelters in owner occupied units. The State expects to respond to this demand by including safe rooms or residential shelters in rehabilitation and reconstruction efforts statewide by prioritizing both the need and cost of shelters statewide.

Activity	Percent of Total	Total Unmet Need	Creek County	Cleveland County	Balance of State
Storm Shelter / Saferoom	8%	\$5,984,808	\$0	\$0	\$5,984,808
Clearance / Demolition	25%	\$18,675,000	\$300,000	\$0	\$18,375,000
Equipment (Misc)	67%	\$50,917,806	\$24,129,399	\$5,271,000	\$21,517,407
Other	0%	\$0	\$0	\$0	\$0
<b>TOTALS</b>	<b>100%</b>	<b>\$75,577,614</b>	<b>\$24,429,399</b>	<b>\$5,271,000</b>	<b>\$45,877,215</b>

Resiliency / Mitigation projects represent a wide range of unmet need encompassing numerous types of activities. Resiliency / Mitigation activities will include the clearance / demolition of houses in identified floodplain areas. The State’s needs assessment also indicates a large unmet need for infrastructure repairs related to damaged drainage systems. Anticipated uses of funds in this activity area are expected to include a focus on storm shelters / safe rooms and providing emergency equipment.

Moreover, the calculation of unmet needs in the resiliency / mitigation areas is not intended to be comprehensive as much of the necessary data is not yet available. The State will continue to collect and analyze data in connection with future allocations of funding under the CDBG-DR Program. As indicated in the earlier first allocation of CDBG-DR (\$10.6 million) Action Plan, a comprehensive statewide Disaster / Housing Needs survey has been funded to provide the following data.

1. County Level Threat and Hazard Identification/Risk Assessment – Example: Identify areas subject to natural disasters and potential manmade hazards. Provide historical overview of continuous threats such as tornadoes/wind storms, floods, ice storms, fire, and drought.
2. Disaster Risk Sustainability – Example: What storm shelters are available to include Location (both Public & Private)? Provide Capacity. Any there any structures in place designed to provide any type of disaster mitigation? If so, provide type and location.
3. Public Policy and Governance to Build Disaster Resiliency – Example: Examine local building codes, Examine hazard mitigation regulations. Provide regulatory recommendations.
4. Post Disaster Resource Network – Example: Local Emergency Response Agency Structure.
5. Threat & Hazard Warning Systems – Example: Identify any areas that lack sufficient disaster warning systems such as sirens.
6. The market penetration of safe rooms and residential shelters by County and/or entitlement – Examples: What percentage of homeowners have safe rooms? What is the estimated cost of achieving 100% penetration by County and entitlement?
7. The market penetration of residential shelters in multifamily developments by County and/or entitlement – Examples: What percentage of multifamily have shelters? What is the estimated cost of achieving 100% penetration by County and entitlement?
8. The market penetration of residential shelters in HUD assisted and LIHTC multifamily developments by County and/or entitlement – Examples: What percentage of multifamily have shelters? What is the estimated cost of achieving 100% penetration by County and entitlement?
9. Calculate number and locate community based shelters in residential communities.

## **V. Proposed Allocation of the Funding**

The funding allocation as evidenced in the table below was created as a result of several limiting factors and considerations. Some of these factors included Federal Register Notice CDBG-DR guidelines, damage analysis, surveys, US Census data, and of course the Action Plan submission deadline to HUD. Considerations involving public input and especially the amount of available funding also restricted the overall scope of the program at this time.

As demonstrated earlier by this Action Plan, the total amount of nearly \$254 million, unmet need far exceeds the current \$83.1 million allocated CDBG-DR funding as identified in the Federal Register Notice. It is hoped that this demonstration of unmet need may inspire an additional round of CDBG-DR funding. Clearly, given these figures there is still a sufficient amount of unmet disaster need to be addressed within the state. Should any additional future rounds of funding result, the State will consider these additional unmet needs that couldn't be funded under the previous two funding allocations.

A summary of the proposed allocations by activity category is set forth in the table below. These needs are representative of the information provided via real-time feedback from surveys and direct public inquiry (email, telephone, public hearing) to ODOC at the time of CDBG-DR Action Plan submission to HUD.

ODOC/CD is currently accepting CDBG-DR applications through the State's online OKGrants' system. The State has reviewed and preliminarily approved several applications for disaster funding at this time. The State will continue to accept and evaluate CDBG-DR applications for ELIGIBLE disaster recovery activities as long as funding and time restrictions permit. Any additional requested disaster activity funding will be subject to the same expenditure and compliance deadlines set forth in the Federal Register Notice and CDBG-DR program selection priorities established by the State.

Additionally, ODOC/CD reserves the right to adjust any of the CDBG-DR funding to ensure maximum utilization of funds. Such CDBG-DR "Reuse" funding adjustments shall be the minimum amount necessary to fund projects efficiently. CDBG-DR Reuse funds are defined as the funds available from the cancellation of projects; from projects completed under budget; or from funds designated but not allocated. The CDBG-DR Reuse funding is also being made available to offset any unforeseen project eligible cost increases such as in the case of construction. All CDBG-DR Reuse funding will be subject to the same expenditure and compliance deadlines set forth in the Federal Register Notice.

Currently, ODOC/CD has reviewed and approved applications for the following activity categories shown in the table below. The total allocation amount below reflects \$60,148,668 in CDBG-DR funding or approximately 72% of the total \$83.1 million authorized CDBG-DR (Second Allocation) funding for the State of Oklahoma. As stated previously, the State will continue to accept and evaluate CDBG-DR applications for ELIGIBLE disaster recovery activities as long as funding and time restrictions permit.

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**TABLE 4: STATE OF OKLAHOMA: CDBG-DR Second Round (\$83.1 Million) Proposed Allocations**

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Activity	Proposed Allocation	Request for Partial Allocation
<b>Housing (Owner-Occupied and Multi-family Housing)</b>	<b>\$ 5,000,000</b>	\$5,000,000
<b>Infrastructure</b>	<b>\$47,970,917</b>	\$6,278,227
<b>Resiliency &amp; Mitigation</b>	<b>\$4,500,000</b>	\$4,500,000
<b>Public Facilities</b>	<b>\$0.00</b>	\$0.00
<b>Economic Revitalization</b>	<b>\$0.00</b>	\$0.00
<b>Planning</b>	<b>\$0.00</b>	\$0.00
<b>Administration</b>	<b>\$2,677,751</b>	\$883,016
<b>TOTAL</b>	<b>\$60,148,668</b>	<b>\$16,661,243</b>
FUTURE RESERVED DR FUNDING	<b>\$22,951,332</b>	-----
<b>ALLOCATION TOTAL</b>	<b>\$83,100,000</b>	-----

Consistent with the Federal Register Notice, the primary purpose of the Funding is to address the immediate unmet needs of our most impacted counties. The State’s allocation of the Funding by activity is guided by several critical federal requirements set forth in the Federal Register Notice. All of the programs to be administered in the activity categories identified in the table above, with the exception of Administration and Planning, will achieve one or more of the National Objectives:

- First, the Federal Register Notice requires that not less than 44% of the Funding must be used to provide assistance in Cleveland and Creek Counties. HUD has explained that this requirement was largely based on where registrants who sought assistance from FEMA and SBA were geographically concentrated. The remaining funds may be expended by eligible UGLG’s throughout the balance of state in counties identified by 2011, 2012, and 2013 Presidential Disaster Declarations.
- Second, all activities, with the exception of Administration and Planning, must meet at least one of the National Objectives.
- Third, at least 50% of the Funding (together with all related future allocations of CDBG-DR Program funds) must meet the Low/Moderate Income Benefit National Objective. As a result, the State must be able to demonstrate that the Funding is being expended to assist LMI persons.

- Fourth, while homeownership assistance may be provided to households up to 120% of AMI, however, only those funds used to serve households with up to 80% of AMI may qualify as meeting the low- and moderate-income person benefit national objective.
- Finally, the Funding cannot be used to assist second homes (as defined in IRS Publication 936) or private utilities.

The State's first priority with the Funding is to get funding to as many affected residents as possible in order to assist them in repairing their homes and small businesses so they can get their lives back in order and get the local economy back in business. With this priority in mind, the State has developed additional factors to determine allocations of the Funding down to the level of specificity required by HUD.

The following additional factors (priorities) will guide the allocation of Funding:

- The State's estimate of the unmet needs in the activity areas for which the Funding can be used.

The State's estimates are based on its review of Census data, data from FEMA, SBA, and the Oklahoma Insurance Commission (OIC), and the results of the surveys designed by the State and submitted to the State by municipalities, public housing authorities and other local stakeholders in the eligible areas.

The unmet needs estimate is necessarily preliminary. The State recognizes that the actual needs of the State's communities in the aftermath of the disasters will change as recovery and rebuilding programs are implemented. As such, the State continues to receive and evaluate new or revised data pertaining to unmet needs and the availability of funding from private insurance, FEMA, SBA and other sources. The State's estimate of the both the number of homes and businesses affected by the disasters as well as the magnitude of unmet needs will continue to be refined.

The focus of this Action Plan is on infrastructure, resiliency and Housing needs. Since much of the necessary data is still being gathered and analyzed by the State, regional planning organizations and units of local government, and since future allocations (*Subject to Federal Funding*) of CDBG-DR Program funding will focus on unmet infrastructure and public facility's needs, a description of the allocation of such future funds will be set forth in any future plan required in connection with such funds.

- The prioritization of (a) infrastructure, resiliency, and housing activities and other activities that directly addresses an urgent unmet need and can be commenced with minimal delay and thereafter completed promptly and (b) in the case of more complicated projects, necessary planning and predevelopment work that will facilitate the speedy commencement and completion of such projects when additional funds are allocated to the State.
- The availability of sufficient funds to efficiently and effectively administer the Funding in compliance with all applicable law.
- Direct Relationship-Disaster Area. All projects must show a direct relationship to the 2011, 2012, and 2013 Disaster Declarations and must be located in the impact area. Projects must show the damage that still needs to be addressed (unmet need) or the mitigation/resiliency measures to be taken to prevent or lessen the impacts of a future related disaster.
- Readiness to Proceed. Each project must be capable of being undertaken (design and construction) immediately to provide outcomes to intended beneficiaries affected by the disaster. All projects must include a project timeline that allows ODOC to meet the Federal Expenditure deadline of September 30, 2019.
- Feasibility. Each project must be found to be financially feasible, sustainable and likely to contribute to the long-term recovery of the disaster impacted community.
- Disaster Declaration Priority. Projects addressing 2013 damage will be provided priority followed by 2012 and then 2011. It is noted that damage has been already been addressed with each older disaster declaration.

## **Housing (Rehabilitation, Reconstruction & New Construction)**

**Allocation \$5,000,000**

### **Single Family**

Single family housing was addressed earlier under the previous CDBG-DR first round allocation (10.6 Million). Due to CDBG-DR second round (83.1 Million) funding priorities and limited funding, there are no planned single family activities.

## Multi-family Housing

The estimate for Multi-Family Rental Housing Rehabilitation (Eligible Rehabilitation and Preservation Activities 24 CFR 570.202 LMH/LMI) is \$5,000,000. The State is addressing the unmet need in Public Housing in the multifamily proposed allocation. Over 400 housing units in Creek were identified by FEMA and confirmed by HUD to have sustained some level of damage in the 2012 wildfire event. All housing related activities will be accomplished within Creek County based on needs assessment and public outreach.

## HUD-assisted Housing, McKinney-Vento funded shelters, other HUD Properties

The State conducted extensive outreach to Low Income Housing Tax Credit (LIHTC) affordable housing, HUD Assisted housing, and McKinney-Vento funded shelters. As previously mentioned, statewide (seventy-seven county) resiliency / housing study conducted under the earlier \$10.6 million CDBG-DR (First Allocation) funding will provide valuable information to the State regarding resiliency and housing related issues. This in turn will allow the State to more readily address these issues in the future. All known HUD Assisted and Low Income Housing Tax Credit affordable housing developments were surveyed to identify damage associated with the storm events. Four survey responses were received that identified \$170,000 unmet need in multi-family housing rehabilitation assistance. All responses were located within the Oklahoma City.

There were no transitional, supportive housing or other Continuum of Care or McKinney-Vento sponsored housing reporting any storm related damage at this time. Consequently, the State has not reserved any of CDBG-DR funding specifically to address the rehabilitation, reconstruction or replacement of any McKinney-Vento funded shelters and housing for the homeless – including emergency shelters and transitional and permanent housing for the homeless.

As noted previously, the State will continue to collect data in regard to these fore-mentioned housing programs and consider any unmet need request should it be reported and consider the unmet should a second round of disaster funding emerge.

## Housing Goals

The State's housing recovery programs are designed to meet the unmet housing needs of the communities most impacted by disaster (i.e. the costs of repairs, reconstruction and new construction

that insurance, FEMA and any other sources of funding does not cover). The objectives of the housing programs include helping people directly affected by disaster related to wildfire damage by:

1. Replacing and rehabilitating homes, including identifying opportunities for mitigation enhancement measures;
2. Improving the resilience of their homes while restoring their buildings/residences;
3. Assisting homeowners, multifamily property owners and public housing authorities in completing applications for funding; and
4. Directing homeowners, multifamily property owners and public housing authorities to additional potential sources of funding.

To pursue these objectives, the State has developed a program that incorporates best practices from past disasters; builds upon stakeholder input from agencies and relevant organizations across the affected counties to ensure the diverse needs of residents and communities are appropriately addressed.

The State's strategy will balance speedy response with proper planning, and support while considering and incorporating the distinct needs and resources of different communities the members of those communities. The State will manage all program operations and ensure that all appropriate accountability and oversight mechanisms in place.

#### ***Eligibility Threshold Requirements***

- Unmet Needs – Funding is available solely to address unmet needs;
- Eligible/Fundable – each property must be determined to be an eligible and fundable activity under the Housing and Community Development Act as modified by the Federal Register Notice and all other applicable regulations and guidance, including, without limitation, the following activities:
- Acquisition of real property; buyouts; code enforcement; relocation assistance; new construction, reconstruction and rehabilitation of residential and nonresidential properties; new construction, reconstruction and rehabilitation of public housing; American Disability Act

improvements; fair housing counseling; homeownership counseling and assistance; and actions to meet the State's certification to affirmatively further fair housing.

- Impacted and Distressed Area – each property must be located within a disaster eligible area;
- Readiness to Proceed – each property must be capable of being undertaken immediately to provide outcomes to intended beneficiaries affected by the disaster;
- Feasibility – each property must be found to be financially feasible, sustainable and likely to contribute to the long-term recovery of disaster impacted communities; and
- Consistency with Consolidated Plan/Action Plan – each property must be reflective of the goals, priorities and requirements of the State of Oklahoma's 2014-2018 Consolidated Plan.
- No portion of the Funding may be used to reimburse the applicant for costs incurred prior to their application.

#### ***Funding Priorities***

- Projects that benefit LMI persons and/or are located in LMI Areas (i.e. an area with household incomes at or below 80% of the area median income);
- Projects that enable the State to satisfy the federal requirement that at least 44% of the Funding be spent in Cleveland and Creek Counties;
- Projects that include deep income targeted units (i.e. units for extremely low income persons or families, the homeless or persons at risk of becoming homeless);
- Projects that address conditions that threaten the health and safety of either the occupants or the public;
- Projects that contribute significantly to the long-term recovery and economic revitalization of the affected area;
- Projects undertaken on behalf of a beneficiary or sponsor that commits to contribute financially in the repair, construction or mitigation of the project (this can be through private insurance, NFIP, FEMA, SBA, and/or other sources); and

- Mitigation – cost effective resiliency and other activities designed to harden the property in order to minimize reoccurrence of storm damage whenever possible or to protect households from future disasters by providing safe rooms or storm shelters.
- Readiness to Proceed. Each project must be capable of being undertaken (design and construction) immediately to provide outcomes to intended beneficiaries affected by the disaster. All projects must include a project timeline that allows ODOC to meet the Federal Expenditure deadline of September 30, 2019.
- Direct Relationship-Disaster Area. All projects must show a direct relationship to the 2011, 2012, and 2013 Disaster Declarations and must be located in the impact area. Projects must show the damage that still needs to be addressed (unmet need) or the mitigation/resiliency measures to be taken to prevent or lessen the impacts of a future related disaster.

### **Multifamily Rehabilitation Program**

The Multifamily Rehabilitation program will provide financial assistance to rehabilitate LMI units in eligible multifamily properties with unmet need, including public housing, HUD-assisted housing, McKinney-Vento funded shelters and housing for the homeless, which were damaged by the wildfires in Creek County. The general requirements of this program are as follows:

1. Eligible applicants include owners of existing low moderate income (LMI) multifamily properties (for-profit and non-profit owners as well as public housing authorities);
2. An eligible applicant's property must have been directly affected by an eligible disaster;
3. Each property to be assisted must have been insured at the time of the storm;
4. Each property to be assisted must be current on property taxes, if applicable ("current on property taxes" includes being in compliance with a payment plan or stipulated agreement with the taxing entity);
5. Each property must have a minimum of five units (applicants may aggregate existing units to meet the threshold of five units);
6. Properties to be assisted must meet applicable local codes or rehabilitation standards at completion;

7. The owner/developer must submit a relocation plan that conforms to the Uniform Relocation Act (the “URA”), if applicable;
8. The owner must propose the financial structure, which, at a minimum shall meet all of the following criteria:
  - a. CDBG-DR Program funds are used as gap financing in the form of a subordinate debt, which may be secured by a mortgage;
  - b. CDBG-DR Program funds are limited to the hard and soft costs of rehabilitation;
  - c. The application accounts for the expenditure of all benefits received prior to application, including:
    - i. insurance payments;
    - ii. FEMA or SBA payments
    - iii. Cash or other benefits provided by any charitable organization in connection with the project;
    - iv. Other federal, State or local financial assistance provided in connection with the project
9. All properties assisted with CDBG-DR Program funds shall be encumbered with a lien for a period to be determined by ODOC or its assigns based standard underwriting of the project;
10. The property and the applicant meet all of the federal, State and local requirements of eligibility and underwriting for the Funding and all other applicable federal requirements;

## Infrastructure

### **Allocation \$47,970,917**

The State has identified several units of local governments that have proposed infrastructure projects with unmet needs due mostly in part to flooding and road deterioration brought about from various disasters and the debris clean-up following the disasters.

There are a number of infrastructure projects that have the potential to affect the health, safety and welfare of the local community and are therefore urgent priorities. The State's allocation for infrastructure projects will focus on unmet needs that are urgent in nature and can be immediately addressed, including, but not limited to drainage repairs and critical road repairs.

### **Infrastructure Goals**

The primary goal of Oklahoma's CDBG-DR disaster recovery program with regard to infrastructure is to restore a suitable living environment in disaster impacted areas by rehabilitating or reconstructing infrastructure, particularly though exclusively where such infrastructure primarily serves LMI persons. The State also intends to make infrastructure repairs in a manner that supports energy conservation/efficiency objectives and responsible growth as well as transit-oriented development.

Infrastructure projects will be selected on a basis modeled after the Small Cities CDBG Program.

As previously noted, it is not expected that this amount is sufficient to address a large portion of the State's unmet infrastructure needs. HUD has indicated that future CDBG-DR funding will be intended primarily for unmet infrastructure, public facility and mitigation "only" needs.

### **Infrastructure Program**

The proposed allocation from the CDBG-DR funding specifically for infrastructure activities will be the largest allocation. As previously noted, it is not expected that this amount is sufficient to address a large portion of the State's unmet infrastructure needs. HUD has indicated that future CDBG-DR funding will be intended primarily for unmet infrastructure, public facility and mitigation "only" needs. The State will more fully address its infrastructure needs when such future funds are allocated.

### ***Eligibility Threshold Requirements***

- Pursuant to the Federal Register Notice, the requested activity must relate to direct physical damage inflicted to the infrastructure as a result of the qualifying disaster;
- Unmet Needs – Funding is available solely to address unmet needs;
- Eligible/Fundable – each project must be determined to be an eligible and fundable activity under the Housing and Community Development Act as modified by the Federal Register Notice and all other applicable regulations and related guidance;

- Impacted and Distressed Area – each project must be located in an area directly impacted by a Presidentially Declared Disaster;
- Readiness to Proceed – each project must be capable of being undertaken (design or construction) immediately to provide outcomes to intended beneficiaries effected by the disaster;
- Feasibility – each project must be found to be financially feasible, sustainable and likely to contribute to the long-term recovery of disaster impacted communities; and
- Consistency with Consolidated Plan/Action Plan – each project must be reflective of the goals, priorities and requirements of the State’s 2014-2018 Consolidated Plan.

***Funding Priorities***

- Projects that primarily benefit LMI persons and/or are located in LMI Areas (i.e. an area with household incomes at or below 80% of the area median income);
- Projects that enable the State to satisfy the federal requirement that at least 44% of the Funding be spent in Cleveland and Creek counties;
- Projects that address conditions that threaten the health and safety of either the occupants or the public;
- Projects that contribute significantly to the long-term recovery and economic revitalization of the affected area;
- Projects undertaken on behalf of a beneficiary or sponsor that commits to contribute financially in the repair, construction or mitigation of the project (this can be through private insurance, NFIP, FEMA, SBA, and/or other sources); and
- Mitigation – includes only a minimum of rehabilitation beyond the correction of conditions caused by the disaster.
- Readiness to Proceed. Each project must be capable of being undertaken (design and construction) immediately to provide outcomes to intended beneficiaries affected by the disaster. All projects must include a project timeline that allows ODOC to meet the Federal Expenditure deadline of September 30, 2019.

- Direct Relationship-Disaster Area. All projects must show a direct relationship to the 2011, 2012, and 2013 Disaster Declarations and must be located in the impact area. Projects must show the damage that still needs to be addressed (unmet need) or the mitigation/resiliency measures to be taken to prevent or lessen the impacts of a future related disaster.
- Feasibility. Each project must be found to be financially feasible, sustainable and likely to contribute to the long-term recovery of the disaster impacted community.
- Disaster Declaration Priority. Projects addressing 2013 damage will be provided priority followed by 2012 and then 2011. It is noted that damage has been already been addressed with each older disaster declaration.
- Unmet Needs. Projects which address damage by the declared disaster and has not been yet addressed.
- Direct Health and Safety. Projects that specifically address the health and safety of either individual households or the community as a whole.

Infrastructure activities will include the construction or reconstruction of streets/roads and drainage systems. The States needs assessment indicates a large unmet need for infrastructure repairs related to damaged streets/road and drainage systems.

A majority of the infrastructure funds will be utilized to make drainage and infrastructure improvements to the areas within the States most impacted areas such as Cleveland County, Creek County, and Oklahoma City. Most of the street/road improvements are required due to the heavy volume of trucks used for hauling away large amounts of debris resulting from the storm damage.

## Public Facilities

### **Allocation: \$0**

The State has vigorously pursued public input regarding determination of disaster related unmet needs within the identified disaster areas. At this time, the State has not received any Disaster Recovery funding requests for Public Facilities projects with unmet needs that exhibit a priority of need Unmet need. Public Facilities is not an identified funding priority. Given funding constraints, the State will not be funding Public Facilities at this time.

## Economic Revitalization

**Allocation: \$0**

The State has vigorously pursued public input regarding determination of disaster related unmet needs within the identified disaster areas. While overall, many businesses were affected by the storm(s); the vast majority had insurance and are or have been rebuilt. Given the amount of the CDBG-DR allocation and the high level of insured commercial losses and lack of sufficient disaster funding at this time, the State cannot make this category the highest priority.

1. Due to limited funds, a preference will be given to businesses located in LMA's or operated by Section 3 eligible applicants.
2. Due to Federal Register Notice requirements, the state will give preference to business equipment or business structural repairs to Cleveland or Creek County, the counties most impacted and specifically addressed in the Federal Register Notice as funding priorities.

## Mitigation & Resiliency

**Allocation: \$4,500,000**

### Resilience Goals

The State's primary goal through resiliency programs and projects is to reduce the potential for loss of life and economic loss in a future storm. The State recognizes that future disasters may severely damage homes, businesses, infrastructure, and public facilities in municipalities throughout Oklahoma.

One such activity under the Mitigation and Resiliency category could include Storm Shelter/Safe Room Installation Programs (Eligible Rehabilitation and Preservation Activities 24 CFR 570.202 LMH/LMI).

### ***Eligibility Threshold Requirements***

- Pursuant to the Federal Register Notice, the requested activity must relate to direct physical damage inflicted to the public facility or infrastructure as a result of the qualifying disaster;
- Projects that benefit LMI persons and/or are located in LMI Areas (i.e. an area with household incomes at or below 80% of the area median income);

- Projects that enable the State to satisfy the federal requirement that at least 44% of the Funding be spent in Cleveland and Creek counties;
- Projects that address conditions that threaten the health and safety of either the occupants or the public;
- Projects that contribute significantly to the long-term recovery and economic revitalization of the affected area;
- Projects undertaken on behalf of a beneficiary or sponsor that commits to contribute financially in the repair, construction or mitigation of the project (this can be through private insurance, NFIP, FEMA, SBA, and/or other sources); and
- Mitigation – includes only a minimum of rehabilitation beyond the correction of conditions caused by the disaster;
- Fundable – (Stormshelter / Safe Room -There must be funds available to provide the rebate;
- Eligible – (Stormshelter / Safe Room - To be eligible, a person must be the homeowner and resident of a single-family residence. Public Schools will also be eligible under this resiliency category;
- Primary Residence - (Stormshelter / Safe Room -The residence where the storm shelter is installed must be the primary residence of the homeowner;
- Meets or Exceeds FEMA Standard – (Stormshelter / Safe Room -The storm shelter must meet or exceed the requirements established in FEMA Publication 361 as determined by a City inspector.

***Funding Priorities***

- Projects that primarily benefit LMI persons and/or are located in LMI Areas (i.e. an area with household incomes at or below 80% of the area median income);
- Projects that enable the State to satisfy the federal requirement that at least 44% of the Funding be spent in Cleveland and Creek counties;
- Projects that address conditions that threaten the health and safety of either the occupants or the public;

- Projects that contribute significantly to the long-term recovery and economic revitalization of the affected area;
- Projects undertaken on behalf of a beneficiary or sponsor that commits to contribute financially in the repair, construction or mitigation of the project (this can be through private insurance, NFIP, FEMA, SBA, and/or other sources); and
- Mitigation – includes only a minimum of rehabilitation beyond the correction of conditions caused by the disaster.
- Readiness to Proceed. Each project must be capable of being undertaken (design and construction) immediately to provide outcomes to intended beneficiaries affected by the disaster. All projects must include a project timeline that allows ODOC to meet the Federal Expenditure deadline of September 30, 2019.
- Direct Relationship-Disaster Area. All projects must show a direct relationship to the 2011, 2012, and 2013 Disaster Declarations and must be located in the impact area. Projects must show the damage that still needs to be addressed (unmet need) or the mitigation/resiliency measures to be taken to prevent or lessen the impacts of a future related disaster.
- Feasibility. Each project must be found to be financially feasible, sustainable and likely to contribute to the long-term recovery of the disaster impacted community.
- Disaster Declaration Priority. Projects addressing 2013 damage will be provided priority followed by 2012 and then 2011. It is noted that damage has been already been addressed with each older disaster declaration.
- Unmet Needs. Projects which address damage by the declared disaster and has not been yet addressed.
- Direct Health and Safety. Projects that specifically address the health and safety of either individual households or the community as a whole.

## Planning

**Allocation: \$0.00**

HUD guidelines allow the State to opt to expend up to 15% of its CDBG-DR Program funding allocation on planning activities. The State does not intend to expend its planning activity allocation to assist in the planning processes associated with the redevelopment of storm impacted areas during this second allocation of disaster recovery funding. The State has already commissioned a statewide (seventy-seven county) resiliency / housing study under the first round CDBG-DR (\$10.6 million) Action Plan and will be spending up to \$500,000 in Planning activities to assist in the long term planning statewide.

### Planning Goals

As mentioned previously, the State commissioned a statewide (seventy-seven county) resiliency / housing study and will be spending up to \$500,000 under the first round CDBG-DR (\$10.6 million) Action Plan in Planning activities to assist in the long term planning processes associated with improving resiliency and mitigation of housing statewide and in defining the overall housing market.

It is important for Oklahoma to be proactive in anticipation of future natural disasters. Accordingly, study will assist in the long term planning processes associated with improving resiliency and mitigation of housing statewide and in defining the overall housing market. Specifically, the statewide seventy-seven county (77) housing / resiliency study with the following purposes:

1. To establish the housing baseline for long term planning efforts;
2. To identify high risk Counties and Entitlements based on historic records of natural disasters including tornadoes, storms, wildfires and earthquakes;
3. To establish the current level of housing resiliency and mitigation codes at the county and entitlement level;
4. To identify existing storm shelters that are publically accessible by County and/or entitlement;
5. To define the market penetration of safe rooms and residential shelters by County and/or entitlement (i.e., what percentage of homeowners have safe rooms) and to determine the estimated cost of achieving 100% penetration by County and entitlement.
6. To identify the market penetration of residential shelters in HUD assisted, LIHTC and all other multifamily developments by County and/or entitlement, and to determine the estimated cost of achieving 100% penetration of multifamily properties by County and entitlement.

## Long-Term Recovery Planning

The State will continue to monitor long term recovery planning. As previously mentioned, the state-wide resiliency / housing survey will provide valuable information to the State regarding resiliency and housing related issues. This in turn will allow the State to more readily address these issues in the future.

## Administration

### **Allocation: \$2,677,751**

The State will act as the lead agency for the overall administration of the CDBG Disaster Recovery funding. The State will administer and utilize subgrantees to disburse the CDBG Disaster Recovery funding directly to benefit homeowners, multifamily property owners, and other eligible beneficiaries of the funding. Administration of the CDBG Disaster Recovery funding by the State will ensure that program activities reach affected residents in a consistent and coordinated manner. The State will implement the programs and activities detailed in this Action Plan primarily through dedicated staff, consultants and third-party contractors.

The third-party contractors to be retained by ODOC and/or the ULG's will vary by activity category (i.e. Homeowner Rehabilitation, Multifamily Rehabilitation/Mitigation, Infrastructure, Economic Revitalization, Public Facilities, and Planning) and will include, but not be limited to:

- Application Intake and Evaluation (specifically for Homeowner programs);
- Architectural and Engineering services;
- Environmental Review services (including historic preservation review);
- Legal services;
- Construction Management services; and
- General Contracting (including subcontracting).

The ODOC staff dedicated to the administration of the Funding will be responsible for complying with the significant federal requirements related to financial management and control, programmatic compliance and monitoring, affirmative fair housing, the prevention of fraud, waste and abuse. These staff members will be responsible for administering all aspects of the State's CDBG-DR Program, including oversight of all contractors, working with individual applicants, processing the necessary payments, tracking projects and program activities, reporting in the federal Disaster Recovery Grants

Administration (DRGR) system, as well as coordinating the activities of other state agencies in relation to d i s a s t e r recovery.

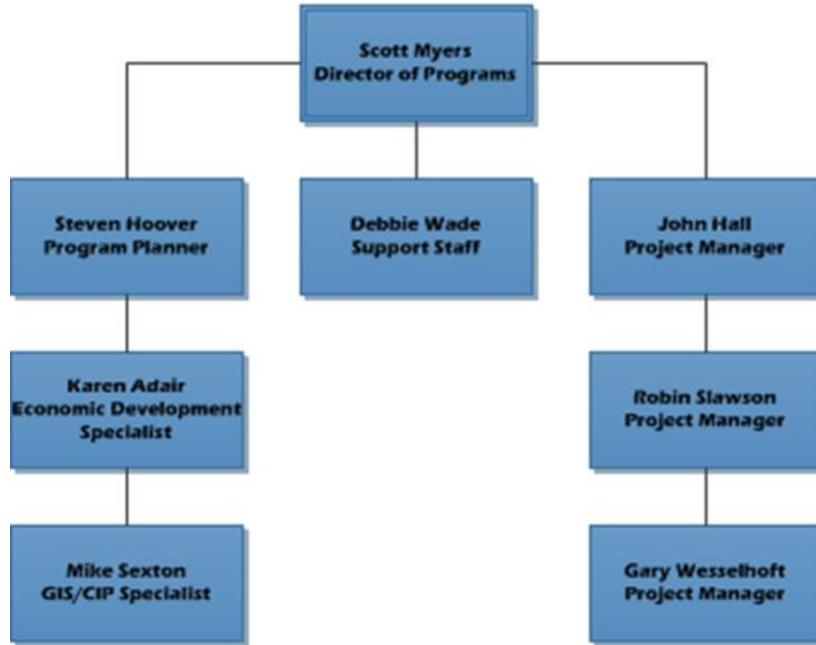
The ODOC staff dedicated to the administration of the Funding will be responsible for complying with the significant federal requirements related to financial management and control, programmatic compliance and monitoring, affirmative fair housing, the prevention of fraud, waste and abuse. These staff members will be responsible for administering all aspects of the State's CDBG-DR Program, including oversight of all contractors, working with individual applicants, processing the necessary payments, tracking projects and program activities, reporting in the federal Disaster Recovery Grants Administration (DRGR) system, as well as coordinating the activities of other state agencies in relation to the Tornado recovery.

ODOC staff will also oversee the extensive federal requirements associated with programmatic compliance and monitoring. These staff members will be responsible for ensuring the overall administration of the Funding complies with all applicable federal requirements. They will monitor other ODOC staff to ensure the proper implementation of consistent processes and procedures, particularly as they relate to the identification and prevention of the duplication of benefits. This compliance team will also be responsible for monitoring all ODOC contractors and service providers as detailed in the CDBG-DR Compliance and Monitoring Manual, attached as Appendix B to this Action Plan. As previously noted, there will also be long term compliance requirements associated with some of these program activities (i.e. liens on homeowner and multifamily properties for extended periods).

In order to effectively administer the CDBG Disaster Recovery funding, consistent with these federal requirements, and to ensure that the necessary safe guards are provided, and monitoring processes and procedures are established and followed, the State intends to utilize the full allotment of administrative funds allowed under the Federal Register Notice. By regulation, the CDBG Disaster Recovery administration for this allocation is subject to 5% of the total funding amount. The State will share administration costs with the various subgrantees who receive a contract under the CDBG Disaster Recovery program.

The Organizational Chart for the ODOC/Community Development team is as follows:

## Community Development Services Community Infrastructure Team



### VI. Federal, State, Local, Non-profit, and Individual Sources of Funding to be Leveraged

The State has identified the following preliminary list of sources of leverage for the Funding:

Multifamily Housing		
Program	Explanation	Amount
LIHTC – 4%	Non-competitive open application period with award based on viability of the project	TBD
LIHTC – 9%	Competitive allocation of credits	TBD
OHFA – HOME	May be available in conjunction with 4% or 9% tax credit financing	TBD
FEMA	Hazard Mitigation Grant Program	TBD

### Single Family Housing

Program	Explanation	Amount
FEMA	Hazard Mitigation Grant Program	TBD
Local Area Recovery Committee	Single Family Housing	\$300,000

Infrastructure		
Program	Explanation	Amount
FEMA	Hazard Mitigation Grant Program	TBD
Local Funds	Although not required, subgrantees are encouraged to make contributions to infrastructure projects through the expenditure of local general funds.	TBD

Public Facilities (Not Funded)		
Program	Explanation	Amount
FEMA	Hazard Mitigation Grant Program	TBD
Local Funds	Although not required, subgrantees are encouraged to make contributions to infrastructure projects through the expenditure of local general funds.	TBD

Economic Development (Not Funded)		
Program	Explanation	Amount
SBA	Small Business Administration	TBD
USDA	US Department of Agriculture (Agribusiness)	TBD

Resiliency and Mitigation
---------------------------

Program	Explanation	Amount
FEMA	Hazard Mitigation Grant Program	TBD
American Red Cross Fund	Safe Rooms/Shelters	\$3.7 million

In all, the State has identified several forms of leverage to increase the impact of the Funding. Of the potential sources of leverage, Infrastructure (road & drainage) will have the highest leverage requirement due to the nature and scope of work required. Under the infrastructure category, although not required, it will be anticipated that the local funds be utilized given the limited amount of overall funding already provided. Leverage in the owner occupied rehabilitation program will vary greatly by the applicant and will be dependent on a number of factors which cannot reasonably be quantified at this time, such as the availability of private insurance and National Flood Insurance Program paid claims payments, and foundation and/or other philanthropic awards.

**VII. USE OF IMPACT AND UNMET NEEDS ASSESSMENT AND THE COMPREHENSIVE RISK ANALYSIS**

As specified in the June 3, 2014 Federal Register Notice Vol. 79, No. 106, Page 31968, the State is required for each major infrastructure project with such projects having a total cost of \$50 million or more (including at least \$10 million of CDBG-DR funds) or physically located in more than one county. Per the Federal Register Notice, projects (activities) falling under this description are formally known as “Covered Projects”.

Additionally, under this guidance, the State is required to implement a comprehensive risk based analysis that it will employ to select, prioritize, implement, and maintain infrastructure activities in its CDBG-DR program. In keeping with this requirement, the State has examined predictive and historical climate data and a performed risk based analysis of various types of storm damage. This information and related data can be found in Section VIII “Other Program Requirements” of this CDBG-DR Second Allocation Action Plan.

The State’s CDBG-DR program has only one qualifying “Covered Project” and consists of The City of Oklahoma City making improvements to the Draper Water Treatment Plant. The Draper Treatment Plant improvements align with the State of Oklahoma’s Hazard Mitigation Plan by addressing specific priorities that include:

1. Protect Life – The primary objective of the Oklahoma State Hazard Mitigation Plan is to protect life. Potable water is critical to public health. The Draper Treatment Plant improvements will ensure uninterrupted potable water will be provided to the City’s water distribution network.
2. Protect Property – Redundancy in electrical services will protect property by ensuring adequate water is available for fire protection and public health.
3. Increase Public Preparedness for Disasters – Physical improvements that will prevent repetitive power loss to the water treatment plant due to severe weather events that include flooding, tornados, lightning and other natural hazards.

The State’s Hazard Mitigation Plan was updated in 2014. State Mitigation Goal #1 is to Protect Life. Protecting people from harm is one of the primary responsibilities of state government. Many state laws contain a declaration of purpose that includes protecting public health and safety. For example, the Oklahoma Emergency Management Act [Oklahoma Statutes, Title 63], the legislature declares that emergency management is a necessary function of state government “to protect the public peace, health and safety, and to preserve the lives and property of the people of the state” from the increasing possibility of the occurrence of disasters of unprecedented size and destructiveness.

Installing a permanent emergency generation system at Draper Water Treatment Plant (WTP) reduces the risk to public health and safety from lack of potable water service under pressure caused by the Draper WTP being inoperative due to a power outage caused by a hazard impact. The water treatment plant is considered a critical facility as it is critical to the public health and safety. The proposed generator system will ensure continuous potable water service under pressure in the Oklahoma City area. In addition to reducing the risk to public health and safety, the proposed generation system at the Draper WTP will reduce the overall costs and economic disruptions to the businesses that depend on the water supply.

In addition to ensuring public health and safety through the treatment of potable water for the service area, Oklahoma State Statute 252:631-3-20 requires that water service providers maintain minimum pressures throughout the distribution system of 25 pounds per square inch (PSI). The following table was developed during recent power outages at the Draper Water Treatment Plant. The table demonstrates how the loss of power at the plant affects water pressures and flows at the surrounding locations where SCADA instrumentation is placed. The table demonstrates how such power outages translate into drastic pressure effects throughout the distribution system.

Note: Normal pressure was taken from 1030 am to 130 pm on February 22, 2014 and the outage data was taken from 1030 am to 130 pm on March 1, 2014.							
	Moore - SW 164th and Telephone (PSI)	Moore - NE 12th and Eastern (PSI)	Moore - 104th and Santa Fe (PSI)	Booster Station 23 (PSI)	Quad Graphics (PSI)	Booster Station 22 (PSI)	Booster Station 21 (PSI)
Normal Average Pressure	83.922	59.595	65.429	59.821	80.401	129.037	56.166
Average Pressure During Outage	46.148	22.568	11.696	0.0	8.825	29.419	17.906
Difference in Average Pressure	-37.774	-37.027	-53.733	-59.821	-71.576	-99.618	-38.26
Minimum Pressure During the Outage	43.625	19.875	11.063	0.0	7.188	26.9	17.738

Another example of hazards that will be mitigated through the installation of a generation system at the Draper Water Treatment Plant is through an examination of how these power outages affect critical facilities such as area hospitals. Hospital data from one regional service provider has been attached as Exhibit A stating the number of patients served in a year and the nearest hospitals in the event that loss of water would cause hospitals to reroute patients to other facilities.

### **Community Development Block Grant Eligibility**

The Draper Water Treatment Plant electrical system improvements are eligible under 24 CFR 570.201(c) Public Facilities and Improvements. The CDBG national objective will benefit low and moderate income persons as provided under 24 CFR 570.208(a)(1) Area Benefit Activities. A complete listing of all census block groups and associated low and moderate income data provided by HUD is provided in the Beneficiary Income Survey included as an attachment to this submission.

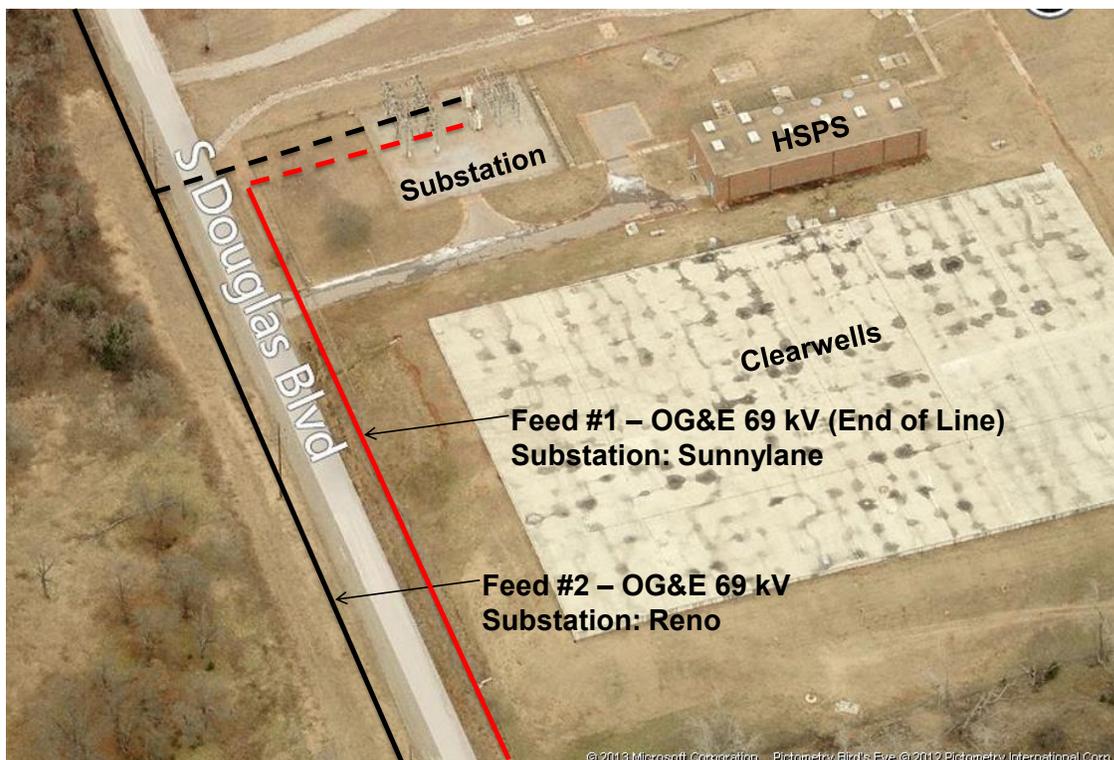
### **BACKGROUND**

The Oklahoma City water distribution service area includes the corporate limits of Oklahoma City, and most other communities within its metropolitan statistical area. According to 2010 Census data (U.S. Census Bureau, Population Division, 2014), the Metropolitan Statistical Area has a population of 1,252,987 people. Water is provided through three water treatment plants (WTP): Hefner Water Treatment Plant, Overholser Water Treatment Plant, and Draper Water Treatment Plant, delivering up to 39 billion gallons of potable water on an annual basis. Draper Water Treatment Plant over the last three years has treated an average of 57% of the total water produced. The City of Oklahoma City Utilities Department strives to provide water to its customers at all times. During prolonged power outages at the Draper WTP the

treatment and delivery capabilities are limited, as evidenced by the severe weather events in May 2010 and May 2013.

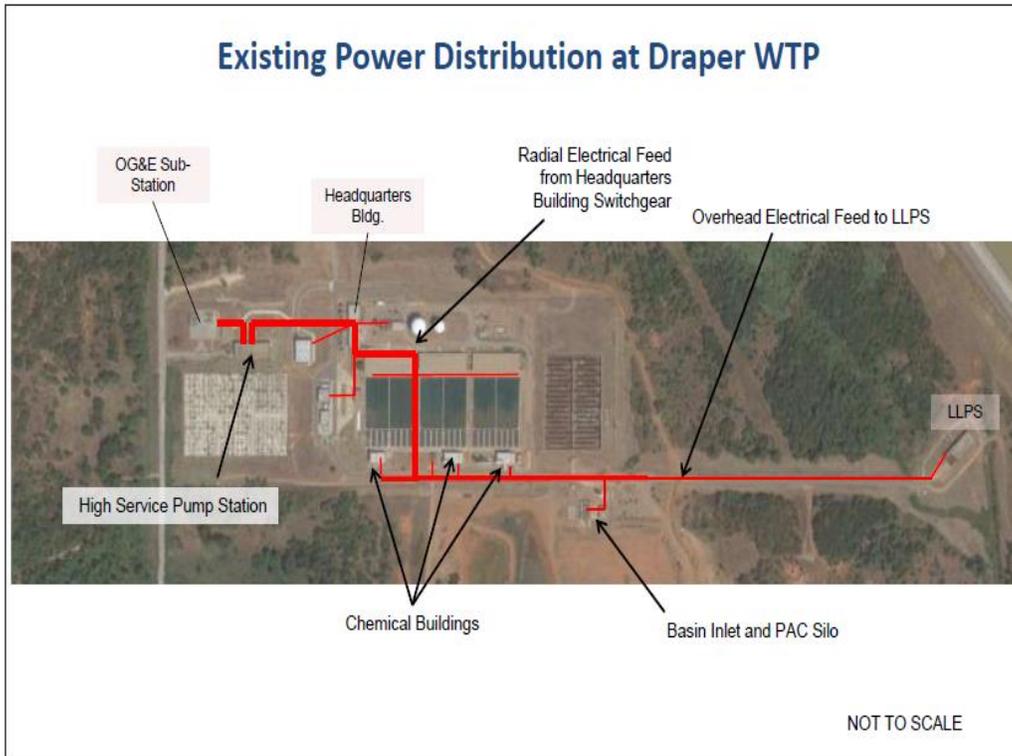
The current reliability that the electrical service provider offers to Draper WTP is subject to failure. The main overhead power lines originate from two different substations and approach the plant from two different directions to tie into a common feed point on the west side of the WTP (Figure 1). On May 10, 2010, a tornado took out both power feeds from the electrical service provider to the Draper WTP, thereby limiting the plant's ability to provide water to the distribution system for approximately three days. Violent storms on May 19, 2013, and a tornado on May 20, 2013, also adversely affected the electrical service provider's service to the Draper WTP for approximately 24 hours before power was restored. During these outages limited water service from the plant was provided via portable generators and transformers.

## Draper WTP Electrical System



**Figure 1 - Electric Power Feeds to Draper WTP**

The existing electrical system within the Draper Water Treatment Plant is "radially" fed from the existing electric switchgear in the Headquarters Building, which in turn, draws its power from an electrical feed emanating through the existing high service pump station (HSPS) (Figure 2).

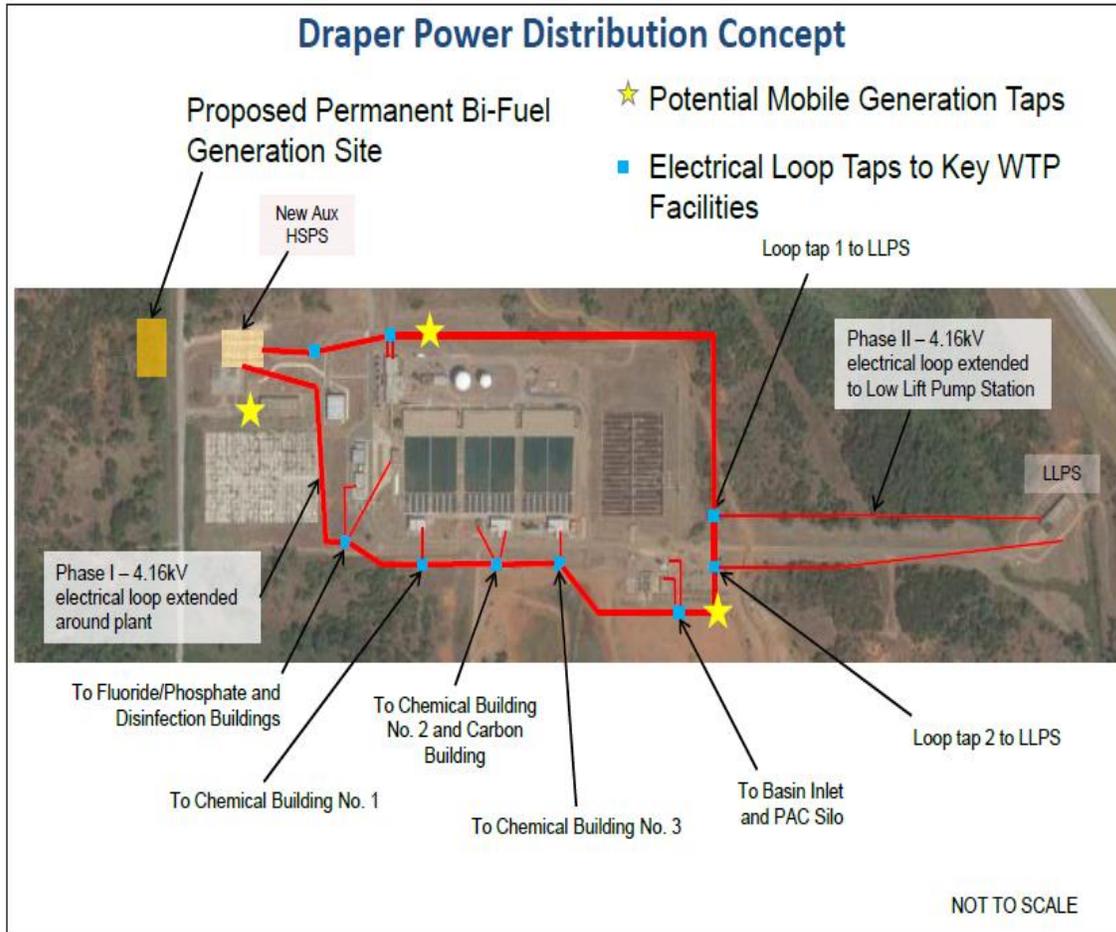


**Figure 2 - Existing Onsite Power Distribution**

As can be seen from the above figure, there is no redundancy in the current power system on the plant site. Several key plant facilities would be inoperable if an electrical failure were to happen anywhere on the plant site. This was experienced this past February when the electrical feed to one of the chemical buildings failed. This resulted in a power loss to the HSPS and at least half of the plant treatment processes for several hours until temporary repairs were completed. Permanent repairs were completed by an on-call contractor with the City over a several month period.

Figure 3 shows the conceptual layout of the recommendations.

1. Phase I will loop around the main features of the plant. The Hefner WTP has a similar electrical loop distribution system and City staff is familiar with its operation and maintenance. Portable, trailer-mounted generators will be able to connect to transformers at some of the proposed electrical loop distribution points.
2. Phase II will extend a looped electrical feed from the main plant loop to the low lift pump station (LLPS) and improve the electrical systems at the LLPS.



**Figure 3- Recommended Onsite Power Distribution**

3. The third project consists of a bi-fuel emergency generator system as a permanent facility to serve the plant during power outages. The proposed generation system will consist of three 2.5 mega-watt units capable of running two of three treatment trains and pumping approximately 100 MGD into the distribution system.

## VIII. Other Program Requirements

### Climate Assessment

As specified in the June 3, 2014 Federal Register Notice Vol. 79, No. 106, Page 31967, the State is required to implement a comprehensive risk based analysis that it will employ to select, prioritize, implement, and maintain infrastructure activities in its Disaster Recovery program. In keeping with this requirement, the State has examined predictive and historical climate data and performed a risk based analysis of various types of storm damage. The data and information for this climate assessment narrative was taken from

elements of the State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014 and the US Global Change Research Program website (<http://nca2014.globalchange.gov/report/regions/great-plains>).

### **Climate of the Great Plains**

Oklahoma is located in the Southern Great Plains. Daily, monthly, and annual changes in the weather can be dramatic and challenging for communities and their commerce. The region experiences multiple climate and weather hazards, including floods, droughts, severe storms, tornadoes, hurricanes, and winter storms. In much of the Great Plains, too little precipitation falls to replace that needed by humans, plants, and animals. These variable conditions in the Great Plains already stress communities and cause billions of dollars in damage; climate change will add to both stress and costs.

Climate projections suggest more frequent and more intense droughts, severe rainfall events, and heat waves, communities and individuals can reduce vulnerabilities through the use of new technologies, community-driven policies, and the judicious use of resources. Adaptation (means of coping with changed conditions) and mitigation (reducing emissions of heat-trapping gases to reduce the speed and amount of climate change) choices can be locally driven, cost effective, and beneficial for local economies and ecosystem services.

1. ENERGY, WATER, & LAND USE: Rising temperatures are leading to increased demand for water and energy. In parts of the region, this will constrain development, stress natural resources, and increase competition for water among communities, agriculture, energy production, and ecological needs.
2. SUSTAINING AGRICULTURE: Changes to crop growth cycles due to warming winters and alterations in the timing and magnitude of rainfall events have already been observed; as these trends continue, they will require new agriculture and livestock management practices.
3. CONSERVATION & ADAPTATION: Landscape fragmentation is increasing, for example, in the context of energy development activities in the northern Great Plains. A highly fragmented landscape will hinder adaptation of species when climate change alters habitat composition and timing of plant development cycles.

4. VULNERABLE COMMUNITIES: Communities that are already the most vulnerable to weather and climate extremes will be stressed even further by more frequent extreme events occurring within an already highly variable climate system.

5. OPPORTUNITIES TO BUILD RESILIENCE: The magnitude of expected changes will exceed those experienced in the last century. Existing adaptation and planning efforts are inadequate to respond to these projected impacts.

### **State Climate Overview**

As mentioned previously, Oklahoma is located in the Southern Great Plains. Of the 50 states, it ranks 20th in size, with an area of 69,903 square miles, about 1,224 of which are covered by water. The terrain is mostly plains, varying from nearly flat in the west to rolling in the central and near east. The plains are broken by scattered hilly areas that include the Wichita Mountains in the southwest and the Arbuckle Mountains in the south central part of the state. The Ouachita Mountains dominate much of the southeast, with peaks that rise as much as 2,000 feet above their base. Extreme northeastern counties are part of the Ozark Plateau, which is marked by steep, Rocky River valleys between large areas of hills and rolling plains. The western tip of the panhandle features part of the Black Mesa complex, a fractured terrain featuring large mesas overlooking seasonal creek and riverbeds. Elevations range from 287 feet above sea level where the Little River exits in southeastern Oklahoma to 4,973 feet on Black Mesa near the New Mexico border.

Oklahoma lies entirely within the drainage basin of the Mississippi River. The two main rivers in the state are the Arkansas, which drains the northern two-thirds of the state, and the Red, which drains the southern third and serves as the state's southern border. Principal tributaries of the Arkansas are the Verdigris, Grand (Neosho), Illinois, Cimarron, Canadian and North Canadian. The Washita and Kiamichi serve as the Red's principal tributaries in Oklahoma, with the Little River flowing into the Red River.

### **Temperature**

The mean annual temperature over the state ranges from 62° F along the Red River to about 58° F along the northern border. Temperatures of 90° F or greater occur, on average, about 60-65 days per year in the western panhandle and the northeast corner of the state. Temperatures of 100° F or higher occur, frequently during some years, from May through September, and very rarely in April and October. The western half of the state, excluding most of the Panhandle, averages 15+ days of triple-digit temperatures,

ranging from about 35 in the southwest corner to 25 in the northwest area. Years without 100° F temperatures are rare, ranging from about one of every seven years in the eastern half of the state to somewhat rarer in the west. The highest temperature ever recorded in the Oklahoma was 120° F. Temperatures of 32° F or less occur, on average, about 60 days per year in the southeast. The lowest temperature on record is -27° F, set originally at Vinita on February 13, 1905, and tied at Watts on January 18, 1930.

Frozen soil is not a major problem, nor much of a deterrent to seasonal activities. Its occurrence is rather infrequent, of very limited depth, and of brief duration. The average maximum depth that frost penetrates the soil ranges from less than three inches in the southeastern corner of the state to more than 10 inches in the northwestern reaches. Extreme frost penetration ranges from about 10 inches in the southeast to almost 30 inches in the western panhandle.

### **Precipitation**

Although precipitation is quite variable on a year-to-year basis, average annual precipitation ranges from about 17 inches in the far western panhandle to about 56 inches in the far southeast. The greatest annual precipitation recorded at an official reporting station was 84.47 inches at Kiamichi Tower in the southeast in 1957. The least annual rainfall occurred during 1956, when Regnier, in the extreme northwestern panhandle, observed 6.53 inches.

Excessive rainfall occurs at times. Amounts of ten inches or more in 24 hours, while rare, have been recorded. The greatest official rainfall in a 24-hour period is 15.68 inches at Enid on October 11, 1973. Amounts up to 20 inches in a day have also been reported from nonstandard sources.

Snowfall remaining on the ground more than a few days is an uncommon occurrence in northwestern Oklahoma, quite rare in central Oklahoma, and almost unheard of in the southeast. The greatest seasonal snowfall ever recorded in the state was 87.3 inches at Beaver during the winter of 1911-1912.

Freezing rain is a distinct wintertime hazard in Oklahoma. The resulting ice cover can down power lines and limbs, causing millions of dollars in damages and widespread power outages. These events make automobile travel very treacherous, especially on secondary roads, where the hazard can last several days. Significant icing events occur with nearly the same frequency as heavy snow events, especially in the southeastern half or so of the state. While ice accumulation is usually less than an inch, storms that deposit several inches can occur once or more per decade. The consecutive winters of 2000-01 and 2001-

02 each featured a major ice storm that deposited more than three inches of ice in 24 hours across much of southeast and central Oklahoma. Two damaging ice storms affected Oklahoma in 2007. The first, in January, affected primarily southern and eastern Oklahoma. The latter, in December, was most severe in central and northeastern Oklahoma. Although ice accumulation in the latter event was generally one inch or less, it caused extensive damage to trees that subsequently took down power lines to more than 600,000 customers.

## **Floods**

Floods of major rivers and tributaries may occur during any season, but they occur with greatest frequency during those spring and autumn months associated with greatest rainfall. Such floods cost many lives and property damage in the first 50 years of statehood, but flood prevention programs have reduced the frequency and severity of such events. Flash flooding of creeks and minor streams remains a serious threat, especially in urban and suburban areas, where development and removal of vegetation have increased runoff. See the following map depicting lakes and waterways throughout the State of Oklahoma.

## **Drought**

Drought is a recurring part of Oklahoma's climate cycle, as it is in all the plains states. Almost all of Oklahoma's usable surface water comes from precipitation that falls within the state's borders. Therefore, drought in Oklahoma is tied almost entirely to local rainfall patterns (i.e., the influence of upstream events on drought is very small). Western Oklahoma tends to be slightly more susceptible to drought because precipitation there tends to be more variable (percentage-wise) and marginal for dry land farm applications.

Drought episodes can last from a few months to several years. Those that last a few months can elevate wildfire danger and impact municipal water use. Seasonal droughts can occur at any time of the year, and those that resonate with crop production cycles can cause billions of dollars of damage to the farm economy. Multi-season and multi-year episodes can severely impact large reservoirs, stream-flow and groundwater.

Since modern Climatological record-keeping began in the late nineteenth century, the state has seen five major multi-year and multi-regional drought events. These occurred in the late 1890s, from 1909-18, 1930-40, 1952-58 and, to a lesser extent, 1962-72. Each of these episodes contained at least one year of

above-normal rainfall. The drought of the 1930's is associated with the Dust Bowl of the Great Plains, when socio-economic conditions, agricultural practices and drought forced the largest emigration of Oklahomans in state history. It is yet to be determined if the drought of 2005-2006, while at times more severe than any on record, will be as extensive as these other events.

The agricultural impact of drought is increasingly mitigated on a farm-by-farm and year-by-year basis through irrigation of crops, mostly with fossil water. This practice dominates much of the panhandle and some of the rest of western Oklahoma.

Development of water supplies has aided community resiliency, helped in large measure by the Oklahoma Water Resources Board's Financial Assistance Program. Upgrades to municipal and rural water district water/wastewater systems over the previous two decades allowed communities, which previously may have run dry under such circumstances, to more effectively manage their water supplies during the most recent drought.

### **Severe Weather**

Thunderstorms occur, on average, about 55 days per year in the east, decreasing to about 45 days per year in the southwest. Late spring and early summer are the peak seasons for thunder, averaging about eight thunderstorms per month per location during these seasons. For the southeastern two-thirds of the state, thunder occurs most often in May. June is the peak month for much of the remainder of the state, while the western panhandle observes the most thunder in July. General thunderstorms are quite common in the summer, but tend to be less organized storms of relatively short duration. These storms can produce locally heavy rain and some hail. Severe weather can occur at any time of day, but the maximum frequency for severe weather is from mid-afternoon to sunset.

### **Tornadoes**

Tornados are a particular hazard, in that the frequency of occurrence per unit area is among the greatest in the world. Since 1950, an average of 54 tornados has been observed annually within the state's borders.

Tornadoes can occur at any time of year, but are the most frequent during springtime. April, May and June represent the months of peak occurrence with these three months accounting for about three-fourths of the observations. May's average of 20 tornado observations per month is the greatest. The winter months each average less than one tornado per month. About 80 percent of tornados are observed

between noon and midnight Central Standard Time, with the peak hours being between 4 pm and 8 pm. Most of Oklahoma's tornados travel from the southwest to the north and east.

Although the annual number of tornados striking Oklahoma is increasing, the proportion of those ranking among the most severe has actually been declining. Improved technology and recording practices have improved counts and documentation of those at the weaker end of the spectrum, thus accounting for the increase in overall number. However, the number of significant tornados (those rating as F2 intensity or greater) has declined, particularly since 1982. In fact, the years with the greatest numbers of significant tornados were 1960 and 1961, with 49 and 41, respectively. Declining death tolls and declining numbers of significant tornados does not necessarily mean Oklahoma is becoming less at risk. As the May 3, 1999 tornado showed, one event could forever impact the lives of many Oklahomans.

### **Earthquakes**

On average there are about 50 measurable earthquakes each year in Oklahoma with only a few of these with shaking strong enough to be felt. 2009 was an exceptional year for seismic activity in Oklahoma with 43 felt earthquakes with 27 of those occurring in Oklahoma County. 2010 has been active as well. The Oklahoma Geological Survey has been running seismograph stations in partnership with volunteers since 1961. Since 1977 there have been more than 1,800 earthquakes located in Oklahoma.

The earliest documented earthquake in Oklahoma occurred on October 22, 1882, and while it cannot be precisely located, the strongest shaking, Modified Mercalli Intensity of VIII, was reported at Fort Gibson, Indian Territory. On April 9, 1952 the largest instrumentally recorded earthquake in Oklahoma occurred near El Reno in Canadian County. This earthquake had a magnitude of 5.7 according to Oklahoma Geologists and caused damage to the State Capitol Office Building in Oklahoma City. Its effects were felt as far away as Austin, Texas and Des Moines, Iowa.

The 1811 and 1812 New Madrid, Missouri, earthquakes were also felt in Oklahoma. For a more complete list of significant earthquakes in Oklahoma please visit the United States Geological Survey Earthquakes occur in response to forces, which build up over long time periods, and occur when two bodies of rock slide past each other. This slip can be large for big earthquakes (10's of meters) or as small as a millimeter. Earthquakes generally occur on pre-existing weaknesses in the rocks called faults. By far, the majority of the world's earthquakes occur on or near the boundaries of tectonic plates. Large earthquakes tend to be concentrated at plate tectonic boundaries where forces and faults are much larger. Generally away from plate boundary settings, such as Oklahoma, earthquakes will be smaller with magnitudes generally less

than 6.5. Small earthquakes (magnitudes 5 or less) occur nearly everywhere in the world. These types of earthquakes can cause damage and loss of life, but damage is usually moderate and closely concentrated around the epicenter, where the earthquake occurred. Oklahoma earthquakes generally occur at shallow depths ranging from about 5 to 15 kilometers (3-10 miles) depth. Earthquake hazard is the unavoidable risk that an earthquake will disrupt daily activities or cause loss of property or life. Most damage associated with earthquakes is caused by waves generated during the earthquake. Estimates can be made for the chances of how much shaking will occur due to all possible earthquake sources. These estimates use recorded earthquakes and mapped faults to define possible sources and how often these earthquakes occur. Oklahoma has a greater earthquake hazard than the rest of the mid-continent, but the hazard is still less than that for the New Madrid Seismic Zone to the east or the North America-Pacific plate boundary of the Western US.

### **Other Climatic Features**

The climate of Oklahoma is continental, as is all of the Great Plains. Summers are long and usually quite hot. Winters are shorter and less rigorous than those of the more northern plains states. Periods of extreme cold are infrequent, and those lasting more than a few days are rare.

Annual average relative humidity ranges from about 60 percent in the panhandle to just over 70 percent in the east and southeast. Average annual lake evaporation varies from 48 inches in the extreme east to 65 inches in the southwest, numbers that far exceed the average yearly rainfall in those areas. Evaporation and percolation preclude use of about 80 percent of Oklahoma's precipitation.

Prevailing winds are southerly to southeasterly throughout most of the state during the spring through autumn months. These prevailing winds veer to south-to-southwest in far western Oklahoma, including the panhandle. March and April are the windiest months, while July August and September are the calmest.

### **Climate – State Perspective**

Since 1950, Oklahoma's population has gradually increased, and by 2008 it had reached 3,642,361. This figure represents an increase of 5.6 percent over 2000. Population densities generally decline from east to west across the state, and the highest densities are found in the metropolitan areas. The population in metropolitan counties increased by 2.0 percent from the year 2000 to 2006. Non-classified counties saw

their populations decline by -0.6 percent. Oklahoma is the 20th largest state and the 28th most populous state in the United States.

The State of Oklahoma does not have adopted ordinances regulating areas of population growth or future development per se. Oklahoma agencies representing the state under authority granted to them by the legislation adopt rules/regulations regarding Storm Water Management or Stream Water Management. Storm Water Management is addressed under the Federal National Pollution Discharge Elimination System (NPDES) program.

The Oklahoma Department of Environmental Quality (DEQ) has received delegation of that Federal program. They have adopted rules and established general and individual permits to require storm water management. Two basic types of storm water management are addressed. One is primarily aimed at sediment control and requires anyone disturbing one acre of ground or more to obtain a general permit and to use Best Management Practices. The other addresses storm water runoff from certain industrial areas. As part of the program, communities with a population of 10,000 or more must have a storm water management program in place (usually includes ordinances) that meets the conditions of the DEQ general permit or an individual permit issued by DEQ.

The water quality of streams in Oklahoma is described in terms of beneficial uses as defined by narrative descriptions and specific constituent numbers by the Oklahoma Water Quality Standards promulgated by the Oklahoma Water Resources Board. DEQ and the other state environmental agencies are required to protect the water quality of Oklahoma streams and lakes by implementing the Water Quality Standard (WQS) in administering their various regulatory responsibilities. For instance, when DEQ issues a wastewater discharge permit, the limits placed on that discharge are based on the WQS for the body of water that will receive the discharge. The beneficial uses of that body of water cannot be adversely impacted by the discharge.

Areas of future growth and development as they relate to known hazard areas are managed at the local level. Of the 77 counties in Oklahoma, over half of the counties have adopted rules/regulations for zoning management, subdivision management, land use plans, or Floodplain Boards in place.

Additionally, a large percentage of the cities/towns over 1,000 in population have and enforce building and zoning requirements and have procedures in place for enforcing these requirements.

## Risk Based Analysis

As specified in the June 3, 2014 Federal Register Notice Vol. 79, No. 106, Page 31967, as part of the Disaster Recovery Action Plan, the State is required to implement a comprehensive risk based analysis that it will employ to select, prioritize, implement, and maintain infrastructure activities in its Disaster Recovery program. The following analysis uses elements of informational resources taken from Oklahoma Climatological data, Oklahoma Geological data, and the *State Standard Hazard Mitigation Plan* (Update-Feb. 10, 2014) as developed by the Oklahoma Emergency Management.

The current Oklahoma *State Standard Hazard Mitigation Plan* was approved by the Federal Emergency Management Agency Region 6 office on February 10, 2014. This State Plan addresses all natural hazards that have been identified as a threat to the State of Oklahoma, per the requirement of the federal regulations cited above. This plan meets requirements for a Standard State Plan under Rule 44 CFR 13.11(c), published in the Federal Register by the Federal Emergency Management Agency (FEMA).

The Oklahoma State Standard Hazard Mitigation Plan provides policy guidance for hazard mitigation in the state of Oklahoma. It identifies hazard mitigation goals, objectives, actions and initiatives for state government that will reduce injury and damage from natural hazards. The Plan specifically identifies six categories of possible mitigation priorities and strategies. These priorities and strategies are as follows:

1. Public Education & Awareness – Outreach projects and technical assistance
2. Preventive Measures – Zoning, building codes, storm water management
3. Natural Resource Protection – Wetlands protection, forest/vegetation management
4. Property Protection – Acquisition, retrofitting, relocation, elevation
5. Emergency Services – Warning, sandbagging, evacuation
6. Structural Projects – Dams, reservoirs, retaining walls, safe rooms

The Oklahoma State Standard Hazard Mitigation Plan lists natural hazards that could affect the State of Oklahoma through the Critical Priority Risk Index (CPRI). Each identified hazard was weighted according to the following criteria of probability, magnitude/severity, warning time and duration. The CPRI categories are needed based upon data provided by Oklahoma Climatological, Oklahoma Geological, and Oklahoma Emergency Management. The CPRI factors the elements of risk—Probability (P),

Magnitude/Severity (M), Warning Time (WT) and Duration (D) -- to create an index that allows for the prioritization of mitigation activities based on the level of risk. Each hazard is evaluated based on potential or probability using the elements of the index, and a weighting factor to determine the impact, in the following manner:

<b>Weighing Factors</b>			
.45	of	.30	.10
Probability		Magnitude/Severity	Warning Time
Occurrence		Expected of Hazard	Duration
			Of Event
4 Highly Likely		4 Catastrophic	4 < than 6 hours
3 Likely		3 Critical	3 6 – 12 hours
2 Possible		2 Limited	2 12 – 24 hours
1 Unlikely		1 Negligible	1 24 + hours
			4 > 1 week
			3 ≤ 1 week
			2 ≤ 24 hours
			1 ≤ 6 hours

<b>Probability of Occurrence</b>	<b>Definition</b>
4 - Highly Likely	Event is probable within the calendar year. Event has a 1 in 1 year chance of occurring.
3 -Likely	Event is probable within the next three years. Event has up to 1 in 3 year’s chance of occurring.
2 - Possible	Event is probable within the next 5 years. Event has up to 1 in 5 year’s chance of occurring.
1 - Unlikely	Event is possible within the next 10 years. Event has up to 1 to 10 years chance of occurring.

<b>Magnitude / Severity Level</b>	<b>Characteristics</b>
Catastrophic	<ul style="list-style-type: none"> <li>&lt; Multiple deaths.</li> <li>&lt; Complete shutdown of facilities for 30 or more days.</li> <li>&lt; More than 50% of property is severely damaged.</li> </ul>
Critical	<ul style="list-style-type: none"> <li>&lt; Injuries and/or illnesses result in permanent disability.</li> <li>&lt; Complete shutdown of critical facilities for at least two weeks.</li> <li>&lt; More than 25% of property is severely damaged.</li> </ul>
Limited	<ul style="list-style-type: none"> <li>&lt; Injuries and/or illnesses do not result in permanent disability.</li> <li>&lt; Complete shutdown of critical facilities for more than one</li> </ul>

	week. < More than 10% of property is severely damaged.
Negligible	< Injuries and/or illnesses are treatable with first aid. < Minor quality of life lost. < Shutdown of critical facilities and services for 24 hours or less. < Less than 10% of property is severely damaged.

The following set of tables list the Critical Priority Risk Index for each hazard that could affect the State of Oklahoma. The hazards are listed in the order of their Priority Risk. Because there is no way to estimate the probability, severity, warning time or duration of a man-made or special event (because by definition the event is usually unknown) that hazard ranking is a best guess estimate using the CPRI and is less than exact. For that reason, the special event hazard is listed last.

### Calculated Priority Risk Index (CPRI)

#### 1. FLOODING

Probability		4 Highly Likely		
Magnitude / Severity		4 Catastrophic		
Warning Time		3 6 - 12 hours		
Duration		3 Less than one week		
Flooding Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(4 x .45)	+(4 x .30)	+(3 x .15)	3 x .10)	= 3.75

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

#### 2. TORNADO

Probability		4 Highly Likely		
Magnitude / Severity		4 Catastrophic		
Warning Time		4 Less than 6 hours		
Duration		1 Less than 6 hours		
Tornado Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(4 x .45)	+(4 x .30)	+(4 x .15)	1 x .10)	= 3.7

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 3. WINTER STORMS / ICE / FREEZING RAIN

Probability		3 Likely		
Magnitude / Severity		4 Catastrophic		
Warning Time		2 12-24 hours		
Duration		3 Less than one week		
Winter Storm Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(3x .45)	+(4 x .30)	+(2 x .15)	3 x .10)	= 3.15

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 4. DROUGHT

Probability		3 Likely		
Magnitude / Severity		4 Catastrophic		
Warning Time		1 24+ hours		
Duration		4 More than one week		
Drought Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(3x .45)	+(4 x .30)	+(1 x .15)	4 x .10)	= 3.1

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 5. HAIL

Probability		4 Highly Likely		
Magnitude / Severity		2 Limited		
Warning Time		4 Less than 6 hours		
Duration		1 Less than 6 hours		
Hail Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(4x .45)	+(2 x .30)	+(4x .15)	1 x .10)	= 3.1

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 6. HIGH WINDS

Probability	4 Highly Likely			
Magnitude / Severity	2 Limited			
Warning Time	4 Less than 6 hours			
Duration	1 Less than 6 hours			
High Wind Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(4x .45)	+(2 x .30)	+(4x .15)	1 x .10)	= 3.1

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 7. LIGHTNING

Probability	4 Highly Likely			
Magnitude / Severity	1 Negligible			
Warning Time	4 Less than 6 hours			
Duration	1 Less than 6 hours			
Lightning Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(4x .45)	+(1 x .30)	+(4x .15)	1 x .10)	= 2.8

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 8. WILDFIRES

Probability	3 Likely			
Magnitude / Severity	2 Limited			
Warning Time	4 Less than 6 hours			
Duration	2 Less than one day			
Wildfire Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(3x .45)	+(2 x .30)	+(4x .15)	2 x .10)	= 2.75

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 9. DAM FAILURE

Probability	1 Unlikely			
Magnitude / Severity	4 Catastrophic			
Warning Time	4 Less than 6 hours			

Duration			4	More than one week
Dam Failure Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(1x .45)	+(4x .30)	+(4x .15)	4 x .10)	= 2.65

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 10. EXTREME HEAT

Probability			3	Likely
Magnitude / Severity			2	Limited
Warning Time			1	24+ hours
Duration			3	Less than one week
Extreme Heat Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(3x .45)	+(2x .30)	+(1x .15)	3 x .10)	= 2.4

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 11. EXPANSIVE SOILS

Probability			3	Likely
Magnitude / Severity			1	Negligible
Warning Time			1	24+ hours
Duration			4	More than one week
Expansive Soils Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(3x .45)	+(1x .30)	+(1x .15)	4 x .10)	= 2.2

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 12. SPECIAL EVENTS (TAR CREEK PROJECT)

Probability			2	Possible
Magnitude / Severity			2	Limited
Warning Time			1	24+ hours
Duration			4	More than one week
Special Events Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI

(2x .45)	+ (2x .30)	+ (1x .15)	4 x .10)	= 2.05
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Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 13 EARTHQUAKE

Probability		2 Possible		
Magnitude / Severity		1 Negligible		
Warning Time		4 Less than 6 hours		
Duration		1 Less than 6 hours		
Earthquake Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(2x .45)	+ (1x .30)	+ (4x .15)	1 x .10)	= 1.9

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 14. SUBSIDENCE

Probability		1 Unlikely		
Magnitude / Severity		2 Limited		
Warning Time		4 Less than 6 hours		
Duration		1 Less than 6 hours		
Subsidence Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(1x .45)	+ (2x .30)	+ (4x .15)	1 x .10)	= 1.75

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

### 15. LANDSLIDE

Probability		1 Unlikely		
Magnitude / Severity		1 Negligible		
Warning Time		4 Less than 6 hours		
Duration		1 Less than 6 hours		
Landslide Hazard CPRI (State of Oklahoma)				
Probability	Magnitude	Warning Time	Duration	= CPRI
(1x .45)	+ (1x .30)	+ (4x .15)	1 x .10)	= 1.45

Source: State of Oklahoma Standard Hazard Mitigation Plan Update Feb. 10, 2014

## Green Building Standards

The State has adopted the HUD CPD Green Retrofit Checklist for rehabilitation and the International Energy Conservation Code 2006 ("IECC") and the Enterprise Green Communities Criteria for reconstruction and/or new construction.

Additionally, the State will use the City of Oklahoma City's Office of Housing Rehabilitation's Green Initiative standard as included in their Housing Rehab Proposal Checklist.

### ***Green Initiative***

This project is designed to meet the Green Communities Initiative Criteria created by the Enterprise Community Partners. Contractors are encouraged to follow the "Green Communities Initiative" listed:

- All particleboard components shall meet ANSI A208.1 for formaldehyde emission limits or all exposed particleboard edges shall be sealed with a low Volatile Organic Compounds (VOC) sealant or have a factory applied low VOC sealant prior to installation. All MDF edges shall meet ANSI A208.2 for formaldehyde emission limits or all exposed particleboard edges shall be sealed with a low VOC sealant or have a factory applied low VOC sealant prior to installation.
- Recycle all cardboard generated by construction to the local recycling plant. Recycle all removed metals (copper, iron, tin, aluminum, etc.) to a local recycling plant.

In terms of complying with the Green Building Standard established in the Federal Register Notice, the State will require that replacement of residential properties, including reconstruction and new construction of substantially damaged properties meet and be certified under the Enterprise Green Communities Criteria. (Because replacement of residential properties expected to occur within OKC, the City will ensure that these criteria are met).

For those buildings that are non-substantially damaged, the State will require that they be rehabilitated following the HUD CPD Green Buildings Retrofit Checklist. The requirement for rehabilitation means that the developer and/or construction team will strive to meet the checklist standard to the extent that there are Energy Star, Water Sense and Federal Energy Management Program-designated products available. The State recognizes that most energy- and water-consuming appliances and products now are available with these designations, and therefore, acknowledges that in a rehabilitation situation most products will be available with conservation designations.

While the standards noted above are for the bricks and mortar aspects of replacing damaged residential properties, the State will also encourage the use of green infrastructure techniques to mitigate against storm water run-off and flooding when repairing or replacing damaged infrastructure.

### **Compliance and Monitoring**

As part of the State's ongoing responsibilities for the administration of HUD's federally funded programs, ODOC will conduct comprehensive monitoring reviews for all programs and activities that fall under Title H.R. 152, titled: Division A: The Disaster Relief Appropriations Act; also known as Public Law 113-2. The State of Oklahoma is a recipient of funding for the purpose of assisting in the development and redevelopment of homes, facilities and infrastructure lost or devastated by during the tornadoes under the Community Development Block Grant Program - Disaster Recovery (CDBG-DR) administered by HUD.

The Funding is targeted to areas with the greatest needs based on data provided by FEMA, the State and local governments. The Funding must be used in accordance with the Federal Register Notice, which provides the regulatory framework established by HUD for the CDBG-DR Program and the Funding.

The Oklahoma Department of Commerce is not required by the State of Oklahoma to employ a full-time internal auditor. ODOC utilizes its own system of internal controls to identify issues with transactions. Should our internal controls identify an area of concern, we would discuss the transaction with any parties involved to obtain additional information or clarification. If the additional information did not resolve the issue, the matter would be sent to the ODOC Chief of Staff and/or the Secretary of Commerce for resolution. ODOC retains an independent accounting firm to perform our annual and single audits. At times, ODOC consults with our external auditors when issues arise.

Program monitoring staff will follow the procedures described in the CDBG-DR Compliance and Monitoring Manual (see Appendix C of this Action Plan), with a particular emphasis on the accuracy of information provided by applicants, identification of the duplication of benefits, compliance with all applicable state and federal requirements associated with the CDBG-DR funding. Specifically, ODOC will conduct a risk analysis on all recipients of any portion of the Funding (each, a "Funding Recipient") in order to identify those programs that are most susceptible to fraud, abuse, or mismanagement. ODOC staff will monitor those programs that are identified as high risk as well as sample those deemed to be low risk programs.

Risk analysis, conducted by the staff of the ODOC, will pay special attention to Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC 5155 by guaranteeing that there will not be a “duplication of benefits.”

The goal of this attention is to ensure that the State does not engage in any activity that provides federal financial assistance to persons, business concerns, or other entities suffering losses as a result of a major disaster or emergency, where such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he or she has received financial assistance under any other program or from insurance or any other source.

### **Duplication of Benefits**

HUD has instituted specific reporting, written procedures, monitoring, and internal audit requirements for each grantee to ensure compliance with program rules for CDBG disaster recovery awards, including rules related to prevention of fraud, abuse, and duplication of benefits. Two authorities form the foundation of duplication of benefit inquiries—the Stafford Act and applicable “necessary and reasonable cost principles in 24 CFR part 570 and in OMB Cost Circulars (codified in title 2 of the Code of Federal Regulations). Supplemental appropriations statutes often reinforce and supplement these authorities.

The Stafford Act directs administrators of Federal assistance to ensure that no “person, business concern or other entity” will receive duplicative assistance and imposes liability “to the extent such assistance duplicates benefits available to the person for the same purpose from another source.” 42 U.S.C. 5155(a). Specifically, section 312 of the Stafford Act prohibits any person, business concern, or other entity from receiving “any part of such loss as to which he has received financial assistance under any other program or from insurance or any other source.” 42 U.S.C. 5155(a). Duplication occurs when a beneficiary receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular recovery purpose. The amount of the duplication is the amount of assistance provided in excess of need. The Stafford Act requires a fact specific inquiry into assistance received by each person, household, or entity. A grantee may not make a blanket determination that a duplication of benefits does not exist for all beneficiaries or recipients under a disaster recovery program. As a result, all disaster recovery funds must be governed by policies and procedures to prevent duplication of benefits.

The State, through ODOC, will establish a database for the collection of data on each resident/client receiving any portion of the Funding and will implement the following framework for determining and preventing Duplication of Benefits in its CDBG-DR Program:

1. Assessment of need prior to assistance. The State will first determine the applicant's total post disaster need in the absence of any duplicative benefits or program caps. For housing and infrastructure programs, the State will require an applicant to obtain professional construction cost estimates on all projects seeking assistance. For recovery programs not involved with physical rebuilding, such as economic development to provide an affected business with working capital, the total need may not necessarily be based on construction cost estimates. In such scenarios, the potential award will be determined by the program and be guided by standard DECD underwriting principles in determining cost reasonableness.
2. Total assistance available to the person or entity. Assistance includes all benefits available to a funding recipient; including cash and other resources such as insurance proceeds, grants, and SBA loans (private loans not guaranteed by SBA are exceptions and will not be included in accordance with guidance from HUD). ODOC through its Grants Administration staff will identify all assistance received by each person, business concern, or other entity, via insurance, FEMA, SBA, other local, state, or federal programs, and private or nonprofit charity organizations. The homeowner, business and/or Unit of Local Government (ULG) will be required to sign a "Consent and Release Form". This form will allow ODOC to share all of the owner information and all owner non-public personal information with agencies and companies in order to process the application of CDBG-DR funds. Each form only allows the sharing of information required for completing the duplication of benefits check. In addition, each applicant for CDBG-DR funds will be required to complete an "Insurance and Other Fund Sources Affidavit". This form will be used to collect information on assistance received by the homeowner and/or entity for the same purpose.
3. The State will also identify reasonably anticipated assistance, such as future insurance claims or approved SBA loan proceeds. Reasonably anticipated funds include assistance that has been awarded, but has not yet been received. This information will be entered in the database for calculation of the CDBG-DR unmet need. To address any potential duplication, beneficiaries will be required to sign a "Subrogation and Assignment Agreement" to repay any assistance later received for the same purpose as the CDBG -DR funds. The signing of this document ensures

that if the applicant receives additional funds, the applicant pays ODOC back enough to prevent any duplication of benefit. This also ensures that CDBG-DR funds are not being used to cover losses already covered by “any other source”. (Ref. Sec. 312. Duplication of Benefits (42 U.S.C. 5155) The State will identify a method in its administrative manual for the CDBG-DR Program to monitor compliance with the agreement for a reasonable period subsequent to close out of the project.

Non-duplicative assistance excluded from final benefit calculation. Once the State has determined the potential award and the total assistance received or to be received, the following assistance will be excluded for duplication of benefit purposes: (1) assistance provided for a different purpose; (2) used for a different, eligible purpose; (3) not available to the applicant; (4) private loan not guaranteed by SBA; or (5) any other asset or line of credit available to the applicant. However, the State will take into consideration that funding for the repair, replacement, rehabilitation, or new construction of public facilities or improvements could potentially involve a duplication of benefits. The owner of these facilities must be able to address whether other sources of funds are available for that same purpose and for that specific project because funds used directly by State and other government entities for public facilities or other purposes are also subject to the duplication of benefits prohibitions under the Stafford Act.

### **Program Income**

Program Income is the amount of revenue received in a single program year which is greater than or equal to \$25,000. The State will provide grants within several components of the CDBG-DR program. As applicable to housing and public facilities, liens will be filed on each property to ensure compliance requirements, with recapture of all or a portion of the grant in the event of any noncompliance during that period. The State does not intend to fund revenue generating activities as part of its administration of the funding. In the event that any program income is generated in connection with a subgrantee’s administration of the CDBG-DR funding, such funds will remain with the subgrantee and expended under the method of distribution annotated within the Action Plan. If the subgrantee cannot successfully fulfill this program income obligation, the State will assume the program income and reallocate the funds based on its then current method of distribution as described in the applicable Action Plan. Additionally, the State will withhold 2% percent of a n y program income to offset that State’s administrative cost and any other eligible administrative expenses.

Program Income that has been derived from the CDBG-DR activities may be used only for eligible CDBG Program activities and in accordance with the provisions of Title I of the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570.489(e), and the program income guidelines of the State CDBG Program Management Manual. Program Income is defined as gross income received by a recipient (or sub recipient) that has been directly generated from the use of Small Cities Program funds, and includes the following:

- Payments of principal and interest (including late fees) on loans made using CDBG-DR funds. For any loan that was partially funded with CDBG-DR Program funds, program income is only the prorated portion of the income that reflects the actual percentage of CDBG-DR participation. For example, if a loan was made with 50% local funds and 50% CDBG-DR funds and a \$100 payment is received, \$50 would be CDBG-DR program income;
- Interest earned on program income pending disposition of same, but excluding interest earned on funds held in a revolving fund account;
- Net proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG-DR Program funds;
- Proceeds from the disposition of equipment purchased with CDBG-DR Program funds;
- Gross income from the use or rental of real or personal property acquired by a State, a unit of general local government; a tribe or sub recipient of a State or a sub recipient of a unit of general local government or tribe with CDBG-DR Program funds; less the costs incidental to the generation of the income (i.e. net income);
- Net income from the use or rental of real property owned by a State, a unit of general local government, or tribe or a sub recipient of a unit of general local government or State or tribe, that was constructed or improved with CDBG-DR Program funds; less the costs incidental to the generation of the income;
- Proceeds from the sale of liens made with CDBG-DR Program funds;
- Proceeds from the sale of obligations secured by liens made with CDBG-DR Program funds;

- Funds collected through special assessments made against properties owned and occupied by households not low-and moderate-income, where the special assessments are used to recover all or part of the CDBG-DR Program portion of a public improvement; and
- Gross income paid to a State, LG, tribe, or paid to a sub recipient thereof from the ownership interest in a for-profit entity in which the income is returned for the provision of CDBG-DR assistance

### **Capacity Building**

The State recognizes the need to establish program and staff capacity to undertake the CDBG Disaster Recovery Grant Program. To build capacity, the State will obtain training either through HUD or through consulting services to enhance the capabilities of existing staff and subgrantees.

Additionally, the State will seek to increase the capacity of ULG's and to effectively plan for and define resiliency and mitigation investments by conducting the fore-mentioned statewide resiliency / housing survey targeted at the needs of the affected communities along with that of all seventy-seven (77) counties.

### **Minority Owned, Women Owned and Sections 3 (Disadvantaged) Business**

The State's affirmative outreach and marketing efforts are governed by the following initiatives, efforts or programs.

### **Policy: Contracting with Small and Minority Businesses, Women Business Enterprise and Labor Surplus Firms**

It is national policy to award a fair share of contracts to small, women and minority business firms. Accordingly, affirmative steps must be taken to assure that small and minority/women businesses are utilized when possible as sources of supplies, equipment, construction and services. Affirmative steps shall include the following:

1. Including qualified small and minority/women businesses on solicitation lists.
2. Assuring that small and minority/women businesses are solicited whenever they are potential sources.
3. When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority/women business participation.

4. Using the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise of the Department of Commerce and the Community Services Administration as required.
5. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises.
6. If any subcontracts are to be let, requiring the prime contractor to take affirmative steps in 1 through 5 above.
7. Grantees shall take similar appropriate affirmative action in support of women's business enterprises.
8. Grantees are encouraged to procure goods and services from labor surplus areas.
9. Grantor agencies may impose additional regulations and requirements in the foregoing areas only to the extent specifically mandated by statute or presidential direction.

## Definitions

Minority Business Enterprise – A Minority Business Enterprise is a business in which minority group members own 51 percent or more of the company; or, in the case of a publicly-owned business, one in which minority group members own at least 51% of its voting stock and control management and daily business operations. For this purpose, minority group members are those groups of U.S. citizens found to be disadvantaged by the Small Business Administration pursuant to [Section 8\(d\) of the Small Business Act](#). Such groups include, but are not limited to, Black Americans, Hispanic Americans, Native Americans, Indian tribes, Asian Pacific Americans, Native Hawaiian Organizations, and other minorities.

Women Business Enterprise - A Women Business Enterprise is a small business that is at least 51% owned by one or more women. In the case of publicly owned businesses, at least 51% of the stock is owned by one or more women and the management and daily operations of the business are controlled by one or more women.

Small Business - A business that is independently owned and operated and which is not dominant in its field of operation and in conformity with specific industry criteria defined by the Small Business Administration (SBA)

Small Disadvantaged Business - A Small Disadvantaged Business is a small business that is at least 51% owned and controlled by a socially and economically disadvantaged individual or individuals. Small Disadvantaged Businesses are often referred to as Section 3 businesses.

Racial and Ethnic Groups - The following are HUD defined recognized and ethnic categories:

- *White, Not Hispanic Origin* - A person having origins in any of the original peoples of Europe, North Africa, or the Middle East, but not of Hispanic origin.
- *Black, Not Hispanic Origin* - A person having origins in any of the black racial groups of Africa, but not of Hispanic origin.
- *Hispanic* - A person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.
- *Asian and Pacific Islander* - A person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.
- *American Indian or Alaskan Native Origin* - A person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal.

## Citizen Participation

The State has an adopted Citizen Participation Plan as required by HUD in its Five Year Consolidated Plan/Annual Action Plan. The plan(s) provide citizens with information on how they can participate in HUD's formula funded CDBG program as well as the HOME, ESG, and HOPWA Programs. Upon notification that the State would receive a CDBG-DR grant allocation, the State has adopted this Citizen Participation Plan and modified it for this CDBG-DR Action Plan in accordance with the guidance set forth in the Federal Register Notice(s).

On September 3, 2014, the Draft CDBG-DR Action Plan was published and made available for public comment. Per the Federal Register Notice, a minimum of thirty (30) days is required to allow for public review of the proposed Action Plan. The comment period ended on October 3, 2014.

A chronology of citizen participation related events were conducted as part of the State's CDBG Disaster Recovery Action Plan is as follows.

- **CDBG-DR Needs Assessment (Second Allocation) Surveys: Mailed and Emailed out June 26, 2014**  
 Additionally, a program narrative and downloadable documentation were made available on the webpage.
- **Public Input Session (Informal): July 23, 2014, Needs Assessment / CDBG-DR Survey Discussion**  
 Notification posted on State’s CDBG Disaster Recovery webpage located on ODOC’s Website. Program narrative and downloadable documentation were made available on the webpage. The input session was also listed in the CDBG-DR Needs Assessment which was mailed out to units of local government (Counties, Cities, Towns), HUD Assisted, and LITHC entities within the areas impacted by the storm damage. Direct email and telephone contact was also made with parties who had contacted ODOC before the Federal Register Notice was released.
- **Public Hearing (Formal): September 3, 2014, Proposed CDBG-DR Action Plan Overview / Comments**  
 Notification posted on State’s CDBG Disaster Recovery webpage located on ODOC’s dedicated CDBG-DR Website. A meeting notification and program narrative was also posted on the ODOC website’s *EVENTS* webpage as well.

The State welcomes public comments and encourages citizens to submit written comments. All postal delivered written comments are submitted to:

Oklahoma Department of Commerce

Attn: Scott Myers, Community Development / Community Infrastructure

900 N. Stiles Ave.

Oklahoma City, OK 73104-3234

Under the State’s Citizen Participation Plan, each comment will be considered and personally addressed and attached in the Appendix of the CDBG Disaster Recovery Action Plan. One written comment was received and is attached as Appendix C of this Action Plan.

The State values the public’s opinion by accepting citizen and other interested parties’ comments throughout development and implementation of its CDBG Disaster Recovery program. Every effort is made to reach minorities, non-English speaking residents, as well as persons with disabilities. For all

meetings, to facilitate comments, questions, and other information; a Spanish-speaking translator / Hearing Impaired Sign Language interpreter is made available upon request. As identified in the State's Consolidated Plan under the Citizen Participation component, special needs and translation services were available, as requested. No requests were made for Spanish-speaking translators or other special needs.

## **Action Plan Amendments**

### **Substantial Amendments to the Action Plan**

A Substantial Amendment to the Action Plan shall be defined as:

1. a change in program benefit or eligibility criteria;
2. the addition or deletion of an activity; or
3. the allocation or reallocation of more than \$1 million between activities.

Only those amendments that meet the definition of a Substantial Amendment are subject to the public notification and public comment procedures previously identified herein. Specifically, a public notice will be published and comment will be sought when assistance programs are further defined (i.e. change in program benefit or eligibility criteria) or when funding allocations are further refined by type of activity and location, if applicable.

Citizens, units of local government, and community partners will be provided with advanced notice and the opportunity to comment on proposed Substantial Amendments to the Action Plan. An electronic copy of the proposed Substantial Amendment will be posted on the State's official CDBG Disaster Recovery webpage located on the ODOC website. Hard copies will also be made available upon request; however, hard copies are subject to printing fees as mandated under State regulation. No less than seven days will be provided for review and comment on the Substantial Amendment. Comments will be accepted electronically or in writing. A summary of all comments received and responses will be included in the Substantial Amendment that is submitted to HUD for approval.

### **Non-Substantial Amendments to the Action Plan**

Non-Substantial Amendments are defined as minor, one that does not materially change the activities or eligible beneficiaries. This provision should not be construed as allowing the general administrative budget to exceed the allowable limit. Additionally, a Substantial Amendment is not required in the case

where the State is simply requesting additional funding from HUD. HUD must be notified in advance of a Non-Substantial Amendment becoming effective. Non-Substantial Amendments are not subject to the public notification and public comment procedures previously identified herein. All Amendments (Non-Substantial and Substantial) to the Action Plan (Substantial Amendments will be numbered (sequentially) and will be posted to the CDBG Disaster Recovery webpage located on the ODOC website.

### **Performance Reports**

The State must submit a Quarterly Performance Report (“QPR”) through HUD’s Disaster Recovery Grant Reporting (DRGR) system no later than thirty days following the end of each calendar quarter. Within three (3) days of submission to HUD, the QPR must be posted on the State’s CDBG Disaster webpage located on the ODOC website for public review and comment. The State’s first QPR is due after the first full calendar quarter after the grant award. QPR’s will be posted on a quarterly basis until all funds have been expended and all expenditures have been reported. Each QPR will include information about the uses of funds in activities identified in the Action Plan as entered in the DRGR reporting system. This includes, but is not limited to: project name, activity, location, and national objective; funds budgeted, obligated, drawn down, and expended; the funding source and total amount of any non-CDBG Disaster Recovery program funds to be expended on each activity; beginning and actual completion dates of completed activities; achieved performance outcomes such as number of housing units complete or number of low and moderate income persons benefiting; and the race and ethnicity of persons assisted under direct-benefit activities. The State must also record the amount of funding expended for each contractor identified in the Action Plan. Efforts made by the State to affirmatively further fair housing will also be included in the QPR.

During the term of the grant, the grantee will provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the approved program and to the grantee’s use of grant funds as well as contracts procured with CDBG Disaster Recovery funding. This information shall be posted on the State’s CDBG Disaster Recovery webpage located on the ODOC website.

## Citizen Complaint Procedures

The State will accept written citizen complaints from citizens related to the disaster recovery programs, Action Plans, Substantial Amendments, or quarterly performance reports. Written complaints should be submitted via email [scott\\_myers@okcommerce.gov](mailto:scott_myers@okcommerce.gov) or be mailed to:

Oklahoma Department of Commerce

Attn: Scott Myers, Community Development / Community Infrastructure

900 N. Stiles Ave.

Oklahoma City, OK 73104-3234

The State will make every effort to provide a timely written response to every citizen complaint within fifteen working days of the receipt of the complaint, where practical.

The State encourages all Fair Housing / Equal Opportunity complaints be filed as applicable with the Metropolitan Fair Housing Council of Oklahoma, Inc. for Fair Housing Administration. All citizen complaints relative to Fair Housing / Equal Opportunity violations involving discrimination will be forwarded to the following address for disposition:

Metropolitan Fair Housing Council of Oklahoma, Inc.

1500 Northeast 4th Street, Suite 204, Oklahoma City, OK 73117

Additionally, the State encourages all Fair Housing / Equal Opportunity complaints be filed as applicable with the State Human Rights Commission now operating under the State Office of the Attorney General.

Oklahoma Office of the Attorney General

313 NE 21<sup>st</sup> Street, Oklahoma City, OK 73105

## Limited English Proficiency

Requests for this Action Plan or related documents in alternate formats consistent with the provisions of federal requirements related to limited English proficiency must be directed to Scott Myers (405-815-5356 or [scott\\_myers@okcommerce.gov](mailto:scott_myers@okcommerce.gov)) of the Community Development Department.

## APPENDICES

CDBG DISASTER RECOVERY

ACTION PLAN

# APPENDIX A

DAMAGE ASSESSMENT REPORT

# Oklahoma Tornado Disaster & Related Events

## Final Report

August 6<sup>th</sup>, 2013



## Overview

The following is a report to HUD's Office of Block Grant Assistance resulting from technical assistance provided by TDA, Inc. in regard to the Oklahoma Tornadoes.

On May 20, 2013 a massive, mile-wide tornado with winds up to 200 mph killed at least 51 people during 40 terrifying minutes of destruction across southern Oklahoma City and its suburbs. The catastrophic storm, commonly referred to as the Moore, OK tornado, was actually part of a series of 30 tornadoes and related events (flooding and straight-line winds) that struck central Oklahoma this spring damaging or destroying over 4,000 homes, a hospital, two elementary schools, commercial strips, a major park – and causing an estimated \$670 million in damages.

In response to the Moore and Oklahoma City tornadoes, the primary events of the natural disaster, HUD directed TDA, Inc. to provide a two-phase delivery of technical assistance designed to assist those entitlement grantees: first, to determine interim assistance that can respond to the events; and second to plan for disaster recovery in their communities. (The technical assistance is authorized under a OneCPD Work Plan: Oklahoma CDBG TA-#TDA-O-11-008-04.)

A team of consultants began delivering the assistance on June 18<sup>th</sup> -- less than a month after the May tornadoes -- at a kick-off meeting convened by the Oklahoma HUD Field Office. Over the past five weeks, this early intervention offered representatives of the City of Moore, the City of Oklahoma City and the State of Oklahoma timely guidance on strategies to gather complete information on the disaster's impacts (both direct and indirect), to address the disaster with upfront planning and engagement of all stakeholders as well as to prepare for implementing recovery activities.

Because FEMA could not completely assess the storm's damage and turned to the Oklahoma HUD Field Office for help, the team also assisted HUD in presenting this full picture of the conditions resulting from the disaster.

The report first offers a description of the natural disaster, listing the tornadoes and related events. It maps the tornadoes' paths, relates the disaster impacts to the Oklahoma's CDBG entitlement communities (as well as the rest of the state), and provides damage assessments from local and state Emergency Management reports. The damage assessment identifies numbers of structures impacted by the events – housing as well as commercial, infrastructure, public facilities, public utilities, equipment, parks and recreational and public buildings. Included in the housing damage assessment are figures verified by a damage verification team from the Oklahoma HUD Field Office. After the report characterizes the damages, it estimates the damage's cost by category and by entitlement community. Lastly, the report, describes consideration of plans for Oklahoma communities to build back better and stronger with robust mitigation and resiliency initiatives.

## Description of Events/Damage

The Oklahoma tornadoes and related events include not only the Moore, OK tornado, but a total of 14 impacting events that occurred during a 45-day period (from April 14-May 31, 2013). Causing the most death and destruction, the tornado that first struck Moore on May 20<sup>th</sup>, was sandwiched between two sets of storms – one set the preceding day and another 11 days later. These three sets of events include:

### 1. Tornadoes on May 19<sup>th</sup>, 2013

- Arcadia (EF 0; 0 fatalities; .3 miles in length)
- Carney, Luther and Prague (EF 3, 0 fatalities, 20 miles in length)
- Edmond and OKC (EF 1, 0 fatalities, 7 miles in length)
- Little Axe, OKC and Shawnee (EF 4, 2 fatalities, 20 miles in length)

### 2. Tornado on May 20<sup>th</sup>, 2013

- New Castle, Moore, and OKC (EF 5, 23 fatalities, 17.5 miles in length & 1.3 miles wide)

### 3. Tornadoes & Flashfloods on May 31<sup>st</sup>, 2013

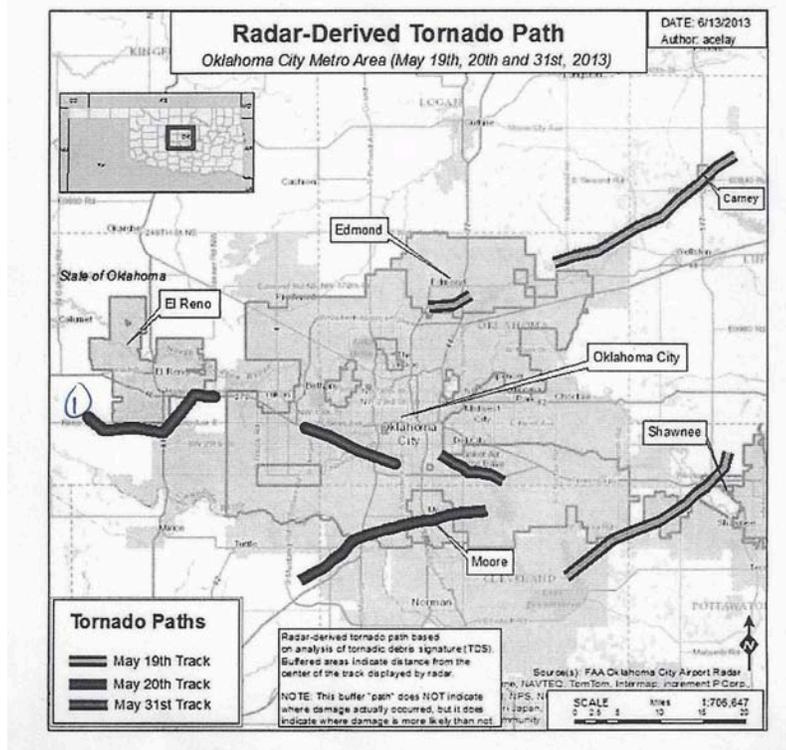
- El Reno, Southwest OKC and Southeast OKC tornadoes (EF 5/1, 9 fatalities); OKC flash floods

These storms' impacts resulted in an initial Presidential Disaster Declaration and amendments covering a large set of effected communities in Oklahoma -- specifically these 4 cities and 6 counties:

- Moore, Oklahoma City, Edmond, and Shawnee
- Canadian, Cleveland, Lincoln, McClain, Oklahoma, Pottawatomie.

**Appendix A** presents a comparison of all 14 events with affected areas, noting whether they are CDBG entitlement communities or non-entitlement communities.

Appearing below is a map of the tornadoes' paths for the three sets of events listed on the preceding page.



In addition to these events, tornadoes caused 2 fatalities and extensive damage on April 14<sup>th</sup> in mostly rural sections of Central Oklahoma. These events are identified in [Appendix B](#). They were either covered in the initial Disaster Declaration or the most recent amendment and added the following counties: Atoka, Coal, Hughes, Latimer, Nowata, and Pittsburg, Pushmataha, and Seminole Counties.

Damage assessments completed by local and state Emergency Management

Services report significant damage in Moore, OK and nearby sections of southwestern Oklahoma City resulting from the May 20<sup>th</sup> tornado. Widespread damage is also reported from the related events and activities.

Taken together, the set of natural disasters have caused major impacts to the affected communities. A detailed account by jurisdiction appears on the following pages.

## *City of Moore*

Having been struck by the May 20<sup>th</sup> tornado, the central event in the set of three severe storms, Moore suffered by far the most damage in a large area characterized by extensive destruction.



A recap of the event and the City's damage assessment report follow:

Event:

May 20<sup>th</sup> New Castle, Moore, OKC Tornado (EF 5; 23 fatalities; Length 17.5 miles; Width 1.3 miles);

Initial declaration; <http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

Damage:

A report provided by Moore on July 7<sup>th</sup> indicates 2,091 homes destroyed; 265 homes with major damage; 445 homes with minor damage; and an additional 369 homes affected.



Two schools (including the Plaza Towers elementary school shown here); a school administration building; a hospital; and two commercial strips were destroyed or severely damaged. A total of 90 businesses were also damaged or destroyed.

A major park containing a memorial was also destroyed.

As noted above, Moore suffered the loss of a 24-hour operating hospital managed by the Norman Regional Health System.



(The hospital is a total loss as shown here.)

Plans for rebuilding the hospital are under consideration.

The two commercial strips in Moore included a bowling alley that was completely destroyed.

(A photograph of the bowling alley appears here.)

While initial damage assessments properly focused on housing units, subsequent investigation has revealed substantial damages to commercial structures.



Damage to public facilities was not significant, but did include the above mentioned park which features a Veterans Memorial. Plans are underway to rebuild that park.

The number of structures damaged by the tornado appears in the table below:

*Moore*

TYPE	AFFECTED	MINOR	MAJOR	DESTROYED	TOTALS
SINGLE FAMILY	369	445	265	1,012	2,091
MOBILE HOME	0	0	0	0	0
APARTMENT	0	0	0	0	0
BUSINESS	12	39	2	37	90
PUBLIC FACILITIES	0	0	1	3	4
<b>Total</b>	<b>381</b>	<b>484</b>	<b>268</b>	<b>1,052</b>	<b>2,185</b>

## City of Oklahoma City

Oklahoma City was impacted by all three of the major storm-related events: two tornadoes and a flash flood. The May 20<sup>th</sup> tornado caused significant damage, but the other events were destructive as well. A recap of the events and the City's Office of Emergency Management damage assessment report follows separately for each event:

### Event #1:

May 19<sup>th</sup> Arcadia Tornado (EF 0; 0 fatalities; Length .3 miles; Width 200 yards); Arcadia part of OKC; Initial declaration; <http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

May 19<sup>th</sup> Carney, Luther, Prague Tornado (EF 1; 0 fatalities; Length 7 miles; Width Unknown); Portion within OKC's City limits; Initial declaration; <http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

May 19<sup>th</sup> Little Axe Tornado (EF 4; 0 fatalities; Length 20 miles; Width Unknown); Portion within OKC's City limits. Initial declaration; <http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

### Damage:

A report provided by Oklahoma City July 11<sup>th</sup> indicates the following:

#### OKC 1

TYPE	AFFECTED	MINOR	MAJOR	DESTROYED	TOTALS
Single Family	12	2	1	1	16
Mobile Home	8	2	2	2	14
Apartment	0	0	0	0	0
Business	0	0	0	0	0
Public Facilities	1	0	0	0	1
<b>Total</b>	<b>21</b>	<b>4</b>	<b>3</b>	<b>3</b>	<b>31</b>

Event #2:

May 20<sup>th</sup> New Castle, Moore, OKC Tornado (EF 5; 23 fatalities; Length 17.5 miles; Width 1.3 miles). Portion within OKC's City limits; Initial declaration;

<http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

Damage:

A report provided by Oklahoma City July 11<sup>th</sup> indicates the following:

*OKC 2*

TYPE	AFFECTED	MINOR	MAJOR	DESTROYED	TOTALS
Single Family	267	114	198	447	1026
Mobile Home	0	0	1	1	2
Apartment	0	0	0	0	0
Business	3	0	1	5	9
Public Facilities	0	0	0	1	1
<b>Total</b>	<b>270</b>	<b>114</b>	<b>200</b>	<b>454</b>	<b>1038</b>

Event #3:

May 31<sup>st</sup> SW OKC Tornado (EF 1; 0 fatalities; Length .4 miles; Width: 250 yards); Included in Amendment 5; <http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

May 31<sup>st</sup> SE OKC Tornado (EF 1; 0 fatalities; Length 10 miles; Width: 250 yards); Included in Amendment 5; <http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

May 31<sup>st</sup> Flash Floods (2 fatalities); Damage within OKC including public housing development flooded; public buildings flooded; infrastructure damaged; Included in Amendment 5

Damage:

A report provided by Oklahoma City July 11<sup>th</sup> indicates the following:

*OKC 3*

TYPE	AFFECTED	MINOR	MAJOR	DESTROYED	TOTALS
Single Family	424	10	1	0	435
Mobile Home	120	12	4	0	136
Apartment	83	3	6	0	92
Business	60	23	11	0	94
Public Facilities	7	0	0	0	7
<b>Total</b>	<b>694</b>	<b>48</b>	<b>22</b>	<b>0</b>	<b>764</b>

For Oklahoma City, the three events -- Event #1, Event #2 and Event #3 -- caused significant damages to housing. A total of 1,833 structures were damaged within the city limits.

Housing damages from the New Castle, Moore, OKC Tornado (Event #2) occurred along a path spanning the eastern border of Moore.

(The destruction of a house pictured here is typical of the damage.)



Note: Figures reporting damages to OKC from Event # 2 were incorrectly listed in the table on page 9 in the August 6, 2013 report. They appear correctly here and in the CDBG-DR Action Plans submitted to HUD. (3/19/14)

## City of Edmond

Edmond was impacted by a tornado in the first event that struck the area touching ground in the northern suburb of Oklahoma City and causing minor damage.

### Event:

May 19<sup>th</sup> Edmond, OKC Tornado (EF 1; 0 fatalities; Length 7 miles; Width: Unknown); Location adjacent to OKC's City limits; Initial declaration;

<http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

### Damage:

A report provided by Edmond on July 3<sup>rd</sup> indicates the following:

#### *Edmond*

TYPE	AFFECTED	MINOR	MAJOR	DESTROYED	TOTALS
Single Family	45	85	5	0	135
Mobile Home	0	0	0	0	0
Apartment	0	0	0	0	0
Business	0	0	0	0	0
Public Facilities	0	0	0	0	0
<b>Total</b>	<b>45</b>	<b>85</b>	<b>5</b>	<b>0</b>	<b>135</b>

## City of Shawnee

Shawnee was impacted by a tornado in the first event that struck the area touching ground in the nearby community of Oklahoma City and causing considerable damage, particularly to a rural section within the city limits.

### Event:

May 19<sup>th</sup> Little Axe, OKC and Shawnee Edmond, OKC Tornado (EF 4; 2 fatalities; Length 20 miles; Width Unknown; Location adjacent to OKC's City limits; Initial declaration;

<http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

Damage:

A report provided by Shawnee on July 9<sup>th</sup> indicates the following:

*Shawnee*

TYPE	AFFECTED	MINOR	MAJOR	DESTROYED	TOTALS
Single Family	2	22	12	18	54
Mobile Home	0	0	0	0	0
Apartment	0	0	0	0	0
Business	0	0	0	0	0
Public Facilities	0	0	0	1	1
<b>Total</b>	<b>2</b>	<b>22</b>	<b>12</b>	<b>18</b>	<b>55</b>

*City of Norman*

In addition, Norman was impacted by a tornado in the first event that struck the area touching ground in the nearby community of Oklahoma City and causing limited damage.

Event:

May 19<sup>th</sup> Little Axe, OKC and Shawnee Edmond, OKC Tornado (EF 4; 2 fatalities; Length 20 miles; Width Unknown; Location adjacent to OKC's City limits; Initial declaration;

<http://www.srh.weather.gov/oun/?n=tornadodata-ok-2013>

Damage:

A report provided by Norman on July 26<sup>th</sup> indicates the following:

*Norman*

TYPE	AFFECTED	MINOR	MAJOR	DESTROYED	TOTALS
Single Family	97	43	16	13	170
Mobile Home	0	0	0	0	0
Apartment	0	0	0	0	0
Business	0	0	0	0	0
Public Facilities	0	0	0	0	0
<b>Total</b>	<b>97</b>	<b>43</b>	<b>16</b>	<b>13</b>	<b>170</b>

### *Balance of State*

A large number of structures were damaged in the state of Oklahoma outside the above-named local jurisdictions. This “balance of the state” damage includes Pottawatomie County near Shawnee; Cleveland County near Norman; Okmulgee; as well as Okfuskee and Le Flore counties. Emergency management officials did not report the balance of state damage by type of structure. Damaged structures were assumed to be single family or mobile homes and have been categorized as single family housing. (Damages to the housing units were verified by the Oklahoma HUD Field Office.) A total of 391 housing units were included in the reports. Most notable is a 90-unit mobile home park near Shawnee.

As of this writing, official damage reports have not been received from rural Atoka, Coal, Hughes, Latimer, Nowata, Pittsburg, Pushmataha, and Seminole Counties. Of these, Atoka County press reports indicate 100 homes or commercial structures were damaged or destroyed. See [Appendix B](#) for details on those damages.

### *Balance of State*

<b>TYPE</b>	<b>AFFECTED</b>	<b>MINOR</b>	<b>MAJOR</b>	<b>DESTROYED</b>	<b>TOTALS</b>
Single Family	40	163	70	117	391
Mobile Home	0	0	0	0	0
Apartment	0	0	0	0	0
Business	0	0	0	0	0
Public Facilities	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>391</b>

Damage to the rural areas outside the local jurisdictions is represented by the photograph that appears here depicting the tornado's impact to mobile homes.



Based on the numbers of structures damaged or destroyed, the Oklahoma tornadoes and related events represent a catastrophe of major proportions. The following summary table presents damages to structures caused by all events throughout the Presidential declared disaster areas.

DAMAGE SUMMARY					
Type	Affected	Minor	Major	Destroyed	Totals
Single Family	859	879	579	1,607	3,924
Mobile Home	128	14	7	3	152
Apartment	83	3	6	0	92
Business	75	62	14	42	193
Public Facilities	8	0	1	5	14
<b>Total</b>	<b>1,153</b>	<b>958</b>	<b>607</b>	<b>1,657</b>	<b>4,375</b>

## Estimated Cost of Damages

In response to the Oklahoma tornado disaster and related events, the team compiled estimates of the storm damage in cooperation with the affected jurisdictions. Community Development staff in those jurisdiction conferred with their Offices of Emergency Management and other local government offices. They provided estimates for the cost of the damages to structures identified in the previous section of this report.

The resulting estimates are limited to direct damages resulting from the three set of events. Because rural counties of Oklahoma have simply not reported damages at a level of detail sufficient to permit a detailed cost estimate by category, the table below reflect damages reported by the local jurisdictions and only the portion of the balance of state captured by those jurisdictions. The cost estimates do not cover the rural counties.

<b>DAMAGE COST ESTIMATE BY CATEGORY</b> <b>(Millions of Dollars)</b>							
<b>Category</b>	<b>Edmond</b>	<b>Moore</b>	<b>OKC</b>	<b>Norman</b>	<b>Shawnee</b>	<b>Balance of State</b>	<b>Totals</b>
Housing	\$2.2	\$159.7	\$83.6	\$3.8	\$3.4	\$22.2	\$274.9
Commercial	0	\$84.8	\$16.0	0	0	0	\$100.9
Infrastructure	\$.1	\$110.3	\$68.8		.5	0	\$179.7
Public Utility	\$.1	\$15.0	0	0	0	0	\$15.1
Public Facilities							
- Equipment	0	0.7	1.5	0	0	0	2.2
- Parks & Rec	0	12.8	0.1	0	0	0	12.8
- Public Bldgs	0	70.3	7.5	0	.2	0	78.0
Subtotal		\$83.8	\$9.10		\$ .2		\$93.0
<b>Totals</b>	<b>\$2.4</b>	<b>\$453.5</b>	<b>\$177.6</b>	<b>\$3.8</b>	<b>\$4.1</b>	<b>\$22.2</b>	<b>\$663.7</b>

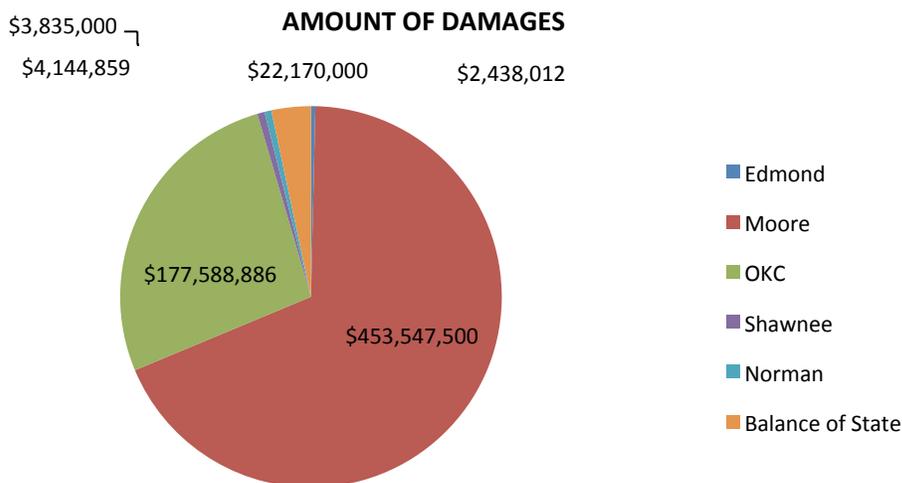
As noted above, the damage estimate by category does not include the complete balance of the state. However, the team can provide a single estimate for the additional cost of the damages reported, but not verified, by assuming 1% of the all damages have not been reported. The cost estimate for unreported damages in the balance of state is an additional \$6.6 million.

Adding the \$6.6 million cost estimate of unreported damages in the balance of state to the estimate of all reported damages presented in the above table, this report can summarize a gross total of estimated damages for the entire disaster area:

**Overall, the affected entitlement communities and counties comprising the balance of state report approximately \$670 million in direct damages from the Oklahoma tornadoes and related events.**

Ninety-five percent (95%) of the damages currently reported are concentrated in Moore and Oklahoma City. Because the local jurisdictions of Shawnee, Edmond and Norman report relatively small

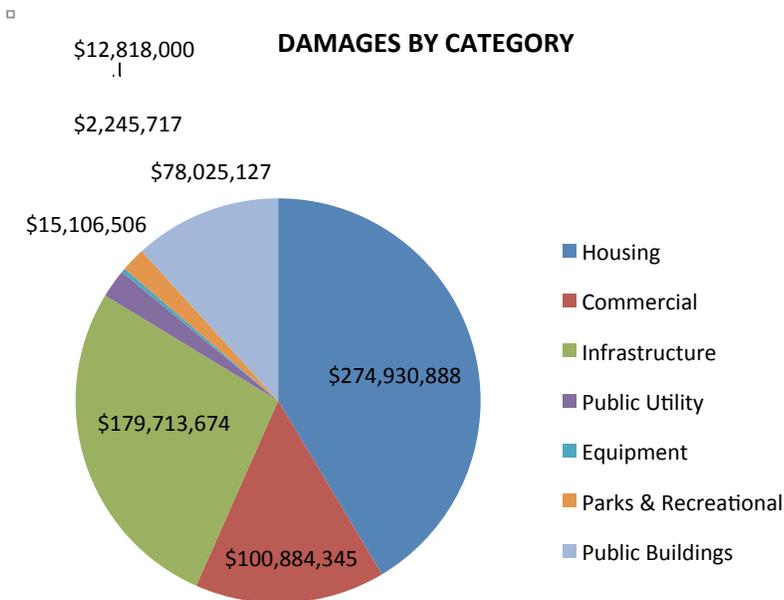
percentages of the total damages, the balance of state portion is the third largest percentage of the damages.



As damages from currently unreported rural counties are added to the totals,

the balance of state portion of the damages is likely to rise.

The chart here provides a breakdown of units by FEMA category of damage type. Total estimated housing damages exceed \$274 million. With the addition housing damages from unreported counties and in the balance of the state, the numbers are expected to increase.



The housing damages represent forty-one percent (41.4%) of the damages reported.

Twenty-seven percent (27%) were to infrastructure damages and fifteen percent (15.2%) were damages to commercial property.

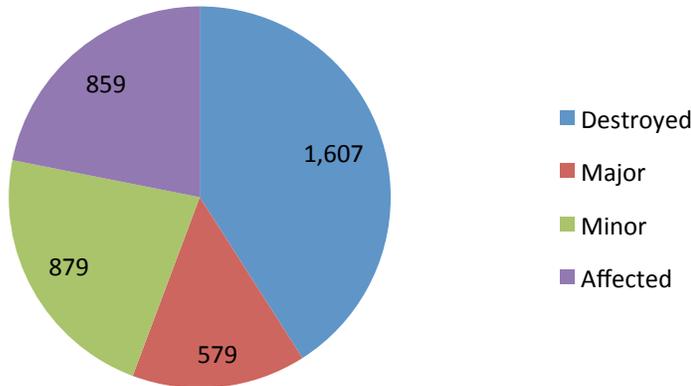
A breakdown of public facilities appears here including: equipment; parks & recreational facilities; and public buildings.

As noted previously, the damaged public buildings were two schools (including the Plaza Towers elementary school and a school administration building in Moore).

As indicated earlier, damage cost estimates include housing damages reported to FEMA by the local jurisdiction's Offices of Emergency Management and verified by the Oklahoma HUD Field Office.

□ This report concludes that over 4,375 homes were damaged or destroyed by the tornadoes and related events, including at least 3,928 units of housing that were reported to the Field Office.

**HOUSING UNIT DAMAGES  
(By FEMA Category)**



A majority of the units are in Moore (58.3%) followed by Oklahoma City (30.2%).

The largest portion of damaged housing units were destroyed and they are mostly located in Moore.

### Mitigation and Resiliency

The totality of events occurring in Oklahoma has led to a robust local discussion of the need for mitigation and resiliency at the State and local level. During the technical assistance engagement, both Moore and Oklahoma City have embraced the need for mitigation and resiliency measures. The primary problem for all entities is the expected cost of mitigation and resiliency. A detailed account of this discussion appears on the following pages.

## *Public Schools*

The Moore Public School System includes three (3) high schools, five (5) junior high schools (grades 7-8), twenty-three (23) elementary schools, and an alternative school, for a total of thirty-one (31) schools. In total, the Moore school system serves 22,500 students and employs 1,400 teachers and at least 750 support staff<sup>1</sup>.

The Oklahoma City Public School system includes twenty-one (21) high schools, seventeen (17) middle schools (grades 7-8), ninety-eight (98) elementary schools, and five (5) other schools, for a total of 141 schools. The Oklahoma City school system contains at least four unified school districts, some of which serve the City and adjacent areas<sup>2</sup>.

The cost of placing a safe room in a public school which will hold both students and staff ranges from \$400,000 to \$600,000 a school<sup>3</sup>. If a safe room were constructed for every school in Moore and Oklahoma City, the range of costs would be between \$69 million and \$105 million. Statewide (including both Moore and Oklahoma City) there are approximately 2,225 schools<sup>4</sup>. The range of costs to provide a safe room in every school statewide would be between \$890 million and \$1.35 billion.

The Governor has initiated a public private partnership with the intent of raising an undetermined amount of funds toward addressing the need for public school based safe rooms. The Governor has publically stated she will veto any attempt to mandate storm rooms/shelters; however, the Governor is looking to a public/private partnership for safe rooms/shelters for schools. The partnership is being led by the Council on Foundations (COF). Conceptually, the Governor wants to combine 50% state and federal funds with 50% private sector funds brought in by the school systems or the COF to make the partnership work. COF reports \$1.3 million in donations as of June 30<sup>th</sup>.

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<sup>1</sup> City of Moore: Schools and Education: <http://www.cityofmoore.com/education>

<sup>2</sup> City-Data: <http://www.city-data.com/school/Oklahoma-City-Oklahoma.html>

<sup>3</sup> Local estimates provided by Moore & Oklahoma City

<sup>4</sup> Oklahoma Department of Education:

[http://www.ok.gov/sde/about/swsd?field\\_county\\_name\\_tid=All&field\\_district\\_name\\_tid=All&field\\_site\\_level\\_tid=All&page=88](http://www.ok.gov/sde/about/swsd?field_county_name_tid=All&field_district_name_tid=All&field_site_level_tid=All&page=88)



### *Residential Safe Rooms*

The State operates a safe room/shelter lottery which provides a tax rebate for participation. The tax rebate is approximately 25% of the cost. The program is oversubscribed by 20,000. The average lottery quota is 300 units a year. Even with this limitation the Safe Room/Shelter installation backlog is now nine months.

A safe room that survived the Moore Tornado is shown here clearly demonstrating the effectiveness of safe rooms.

The F5 Moore tornado came through the area pictured and this \$4,200 safe room saved the family who lived there. Both Moore and Oklahoma



City have embraced the concept of building safe rooms as part of a mitigation/resiliency effort. However, the local political situation does not support a mandate requiring safe rooms due to cost considerations.

As noted earlier, the Governor has gone as far as to promise a veto of any legislative initiative at the State level to mandate safe rooms for newly constructed homes. Moore City Council also expressed skepticism and tabled a proposal by the Moore Mayor to require safe rooms in new construction or reconstruction. Moore and Oklahoma City; however, have expressed interest in a program associated with disaster recovery activities that might defray the cost of safe rooms in reconstructed homes. Also, Moore is considering changes to its building codes that would address resiliency to weather situations and increased safety. They have hired an architect to assist with the research and the writing of the code changes that would tie down roofs and fasten studs.

Moore has approximately 20,000 households, of which approximately 2,250 are households residing in multifamily properties<sup>5</sup>, leaving a net of approximately 17,750 single family households. FEMA approved safe rooms that hold six (6) persons cost between \$3,200 and \$4,200, indicating an effort to build safe rooms for every single family home would cost between \$67 million and \$72 million.

The multifamily properties are largely low rise town home type developments which suggest 24 person shelters at a cost of \$25,000 each. The net need would be at least 94 safe rooms at a rough cost of \$2.3 million.

Oklahoma City has approximately 225,000 households, of which approximately 58,500 are households residing in multifamily properties<sup>6</sup>, leaving a net of approximately 166,500 single family households. FEMA approved safe rooms that hold six (6) persons cost between \$3,200 and \$4,200, indicating an effort to build safe rooms for every single family home would cost between \$632 million and \$699 million. The multifamily properties are largely low rise town home type developments which suggest 24 person shelters at a cost of \$25,000 each. The net need would be at least 2,438 safe rooms at a rough cost of \$61 million.

### *Building Codes*

The City of Moore has created an advisory group made up of various key stakeholders (architects, builders, council members) who are tasked with recommending building code updates to the City's building code ordinance. These additional building codes will add to the resiliency of houses built in Moore to support potential for surviving as a minimum an F3 tornado.

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<sup>5</sup> US Census Bureau Quick Facts; Moore, OK

<sup>6</sup> US Census Bureau Quick Facts; Oklahoma City, OK

### *Other*

Both Moore and Oklahoma City are interested in creating or building safe rooms in existing public facilities and other areas and have made very preliminary estimates of cost. Both cities recognize infrastructure improvement and resiliency measures are important to the long term mitigation of tornado damages. Oklahoma City also has concerns regarding the impact of flash floods and resiliency measures which might mitigate the impacts of flooding.

### **For Further Information**

The City of Moore and other jurisdictions all contributed useful information for this report. Not all facts and figures were included in order to keep the report as brief as possible. For further information, the team suggests that anyone who is interested in additional details contact those jurisdictions directly for written reports that they have completed with regard to their respective needs.

## Appendix A

The tables below are based on NOAA data. Explanations are placed in context by responsible party in the next section. Explanation data is partially NOAA, partially press reports.

### Entitlements

Date/Event	OKC	Edmond	Moore	Shawnee
May 19 <sup>th</sup> Edmond Tornado		X		
May 19 <sup>th</sup> Little Axe-OKC-Shawnee Tornado	X			X
May 20 <sup>th</sup> New Castle – Moore – OKC Tornado	X		X	
May 20 <sup>th</sup> SW OKC Tornado (SW 79th /Western)	X			
May 31 <sup>st</sup> SE OKC Tornado (0.5 Miles ENE SW 59th/Penn; 4 Miles SSW Downtown OKC)	X			
May 31 <sup>st</sup> OKC Flash Floods	X			

### Non-Entitlements

Date/Events	Atoka	Canadian	Cleveland	Coal	Latimer	Le Flore	Lincoln	McClain	Nowata	Okfuskee	Oklahoma	Okmulgee	Pittsburg	Pottawatomie	Pushmataha
April 14 <sup>th</sup> Atoka (7)	X														
April 14 <sup>th</sup> Talihina					X	X									
April 14 <sup>th</sup> Poteau						X									
April 14 <sup>th</sup> Howe						X									
April 14 <sup>th</sup> Delaware									X						
April 14 <sup>th</sup> Welty – Nuyaka										X		X			
April 14 <sup>th</sup> Weathers													X		
April 14 <sup>th</sup> Bache													X		
April 14 <sup>th</sup> Jumbo															X
April 14 <sup>th</sup> Clayton 1															X
April 14 <sup>th</sup> Clayton 2															X
May 19 <sup>th</sup> Little Axe-OKC-Shawnee			X								X			X	
May 19 <sup>th</sup> Carney-Luther							X				X				



**Non-Entitlements (Continued)**

Date/Events	Atoka	Canadian	Cleveland	Coal	Le Flore	Latimer	Lincoln	McClain	Nowata	Okfuskee	Oklahoma	Okmulgee	Pittsburg	Pottawatomie	Pushmataha
May 19 <sup>th</sup> Prague Tornado							X			X		X		X	
May 19 <sup>th</sup> Cameron Tornado					X										
May 20 <sup>th</sup> New Castle – Moore – OKC Tornado			X					X			X				
May 20 <sup>th</sup> SW OKC Tornado (SW 79th /Western) *											X				
May 20 <sup>th</sup> Coal Tornado				X											
May 31 <sup>st</sup> Talala Tornado									X						
May 31 <sup>st</sup> Watova Tornado									X						
May 31 <sup>st</sup> SE OKC Tornado (0.5 Miles ENE SW 59th/Penn; 4 Miles SSW Downtown OKC)											X				
May 31 <sup>st</sup> El Reno Tornado		X													
May 31 <sup>st</sup> Yukon Tornado		X													
May 31 <sup>st</sup> Flash Floods **											X				

\* Portions of Oklahoma County are outside of OKC.

\*\* Flash Flood impacts are not clear outside of OKC.

## Appendix B

### Atoka County

Atoka County was hit by a total of seven (7) tornadoes on April 14<sup>th</sup>. Press reports indicate as many as 100 homes and businesses and one school were destroyed in and near Tushka; Included in Amendment 7 to the Disaster Declaration.

Event Date	County	Designation	Fatalities	Length in Miles	Width in Yards	Path
April 14 <sup>th</sup>	Atoka	EF 3	2	17 m	1,320 y	3 E Boggy Depot (5 WSW Tushka) - Tushka - 3 SE Atoka - curving to ~2 E Stringtown
April 14 <sup>th</sup>	Atoka Pushmataha Pittsburg	EF 1	0	14 m	1,100 y	0.8 S Daisy - 4.5 SE Weathers
April 14 <sup>th</sup>	Atoka	EF 1	0	.5 m	125 y	1.8 SE - 2 SE Daisy
April 14 <sup>th</sup>	Atoka	EF 1	0	4 m	100 y	3 WNW - 2 NNE Tushka
April 14 <sup>th</sup>	Atoka	EF 1	0	2 m	400 y	4 SE - 4 ESE Atoka
April 14 <sup>th</sup>	Atoka	EF 1	0	4 m	500 y	1.5 NE Redden - 1.3 WSW Daisy
April 14 <sup>th</sup>	Atoka	EF 1	0	14 m	1,100 y	0.8 S Daisy - 4.5 SE Weathers

### Latimer County

No damage reports available; Included in Amendment 7

Event Date	Counties	Designation	Fatalities	Length in Miles	Width in Yards	Path
April 14 <sup>th</sup>	Latimer Le Flore	EF 1	0	5 m	600 y	4.6 WSW - 0.5 NNW Talihina

### Le Flore County

Three events; No damage estimates available; Included as part of Amendment 6.

Event Date	Counties	Designation	Fatalities	Length in Miles	Width in Yards	Path
April 14th	Latimer Le Flore	EF 1	0	5 m	600 y	4.6 WSW - 0.5 NNW Talihina
April 14th	Le Flore	EF 1	0	7	440 y	2.9 SSE Wister - 3.2 S Poteau
April 14th	Le Flore	EF 1	0	1.5 m	300 y	2.1 WSW - 1.7 NW Howe

#### Nowata County

Includes one tornado; No damage reports available; Included in Amendment 7; News reports indicate another tornado went through the area on April 30<sup>th</sup> destroying a mobile home and damaging a number of homes. No NOAA data available on April 30<sup>th</sup> event

Event Date	Counties	Designation	Fatalities	Length in Miles	Width in Yards	Path
April 14 <sup>th</sup>	Nowata Washington	EF 1	0	1.6 m	200 y	7.2 ESE - 8.5 W Delaware

#### Okfuskee County

One tornado; Included in initial declaration;

Event Date	Counties	Designation	Fatalities	Length in Miles	Width in Yards	Path
April 14 <sup>th</sup>	Okfuskee Okmulgee	EF 1	0	11 m	100 y	0.5 S Haydenville - 4 N Nuyaka

#### Okmulgee County

No damage reports available; Included in Amendment 7



Event Date	Counties	Designation	Fatalities	Length in Miles	Width in Yards	Path
April 14 <sup>th</sup>	Okfuskee Okmulgee	EF 1	0	11 m	100 y	0.5 S Haydenville - 4 N Nuyaka

Pittsburg County

Two events; No damage reports available; Included in Amendment 7

Event Date	Counties	Designation	Fatalities	Length in Miles	Width in Yards	Path
April 14 <sup>th</sup>	Atoka Pushmataha Pittsburg	EF 1	0	14 m	1,100 y	0.8 S Daisy - 4.5 SE Weathers
April 14 <sup>th</sup>	Pittsburg	EF 1	0	5.5 m	300 y	5.9 S - 2.2 SE Bache

Pushmataha County

A total of four events on April 14<sup>th</sup>; Areas identified as Oleta, Corinne & Sobol; No damage information; Included in Amendment 7;

Event Date	Counties	Designation	Fatalities	Length in Miles	Width in Yards	Path
April 14 <sup>th</sup>	Atoka Pushmataha Pittsburg	EF 1	0	14 m	1,100 y	0.8 S Daisy - 4.5 SE Weathers
April 14 <sup>th</sup>	Pushmataha	EF 1	0	3 m	400 y	0.5 WSW - 2.6 ENE Jumbo
April 14 <sup>th</sup>	Pushmataha	EF 2	0	7 m	1,000 y	10.5 SW - 3.7 WSW Clayton
April 14 <sup>th</sup>	Pushmataha	EF 1	0	14 m	1,100 y	7.5 NW - 7.1 NW Clayton



## Appendix C

The table below is based on a FEMA report that has compiled information on applications received for individual assistance through July 2013.

County	Total Apps	Owners		Renters		Insured		Uninsured	
		Count	%	Count	%	Count	%	Count	%
Canadian (County)	1,054	833	79.0%	216	20.5%	631	59.9%	423	40.1%
Cleveland (County)	8,485	6,005	70.8%	2,437	28.7%	5,382	63.4%	3,103	36.6%
Le Flore (County)	35	31	88.6%	4	11.4%	14	40.0%	21	60.0%
Lincoln (County)	183	163	89.1%	20	10.9%	98	53.6%	85	46.4%
McClain (County)	94	87	92.6%	7	7.4%	75	79.8%	19	20.2%
Okfuskee (County)	46	39	84.8%	7	15.2%	23	50.0%	23	50.0%
Oklahoma (County)	4,305	2,096	48.7%	2,185	50.8%	1,415	32.9%	2,890	67.1%
Okmulgee (County)	79	62	78.5%	17	21.5%	37	46.8%	42	53.2%
Pottawatomie (County)	575	482	83.8%	90	15.7%	331	57.6%	244	42.4%
Totals	14,856	9,798	66.0%	4,983	33.5%	8,006	53.9%	6,850	46.1%

CDBG DISASTER RECOVERY

ACTION PLAN

# APPENDIX B1

COMPLIANCE MONITORING HANDBOOK

# **Oklahoma Disaster Funds**

## **Compliance Monitoring Handbook**

### **Introduction**

As part of the State's ongoing responsibilities for the administration of U.S. Department of Housing and Urban Development (HUD) federally funded programs, the Oklahoma Department of Commerce (ODOC) will conduct comprehensive monitoring reviews for all programs and activities that fall under the Federal Register Notice, Vol. 78, No. 241, December 16, 2013. The Federal Register Notice provides the regulatory framework established by HUDs State of Oklahoma's Disaster Recovery Program. The State of Oklahoma and its sub recipients that receive CDBG-DR funds are required to comply with all HUD's rules and regulations concerning program performance and any rules and regulations unique to the Disaster Recovery legislation.

Oklahoma's Department of Commerce monitoring and compliance handbook provides a guide for areas of programmatic review and responsibilities relating to compliance which will enable the funding recipients and the general public to understand the program, its objectives and methods to ensure success of the program. ODOC understands the importance and need for a compliance program that insures that all participants in the CDBG-DR program are adequately and responsibly carrying out their various ethical, legal, and fiduciary responsibilities in the administration of its programs and activities.

The State of Oklahoma as recipient of CDBG-DR funds is responsible for ensuring that the funds are used in accordance with all applicable program requirements. ODOC understands that the use of sub recipients does not relieve the State of compliance responsibilities. ODOC will utilize its current CDBG Program monitoring policies and procedures to ensure compliance with all federal guidelines. The policies and procedures are consistent with those used by HUD to monitor state-administered and entitlement programs and are modified as appropriate to monitor specifics of the Disaster Recovery program. Reimbursement of expenditures will be disallowed if local governments cannot properly document the use of funds that do not address disaster-related needs or are clearly not for the greatest need. In such case, the local government receiving the funding would be required to refund the amount of the grant disallowed.

## **Applicability**

The ODOC will be contracting out with Sub recipients to carry out project delivery activities. Due to the limited number of contracts, the ODOC will monitor 100 percent of all contracts. This compliance manual applies to all federal and state requirements including but not limited to:

1. Program Progress
2. National Objectives
3. Cooperative Agreements
4. Beneficiary/Contractor Requirements
5. Continued Affordability Requirements
6. Eligible Uses
7. Fair Housing and Equal Opportunity
8. Homebuyer Programs
9. Rental Projects
10. Administrative and Financial Requirements
11. Environmental Reviews
12. Labor Standards Administration
13. Lead Based Paint Compliance
14. Relocation and Real Property Acquisition
15. Fraud, Waste and Abuse
16. Duplication of Benefits

## **Objectives**

HUD describes monitoring as integral management control techniques and a Government Accounting Office (“GAO”) standard. It is an on-going process that assesses the quality of a program over a period of time. Accordingly, the monitoring process shall provide ODOC information about sub recipients that will be critical for making informed judgments about CDBG-DR program effectiveness and management efficiency. Monitoring is helpful in identifying occurrences of fraud, waste and abuse. ODOC will use monitoring to accomplish the following objectives:

- Provide that all CDBG-DR activities and projects are carried out efficiently, effectively, and in compliance with applicable laws and regulations.
- Assist sub recipients to improve their performance, develop or increase capacity, and augment management and technical skills.
- Ensure that sub recipients with project delivery responsibilities will be monitored through regular reviews and recommend appropriate compliance/management steps are taken to reduce compliance problems and fraud, waste and abuse.

- Ensure compliance roles and responsibilities are clearly established across ODOC and the sub recipient and that care is given to delegating authority to the sub recipient.
- Ensure that sub recipients have written policies and procedures and internal control systems capable of ensuring compliance.
- Individual's responsible DRGR compliance and ethics programs have adequate resources authority and competencies to carry out their responsibilities.
- Ensure that sub recipients maintain an effective mechanism to report any wrongdoing, including mechanisms to allow for anonymous reporting, and protect against retaliation.
- Enable the State to submit appropriate and documented quarterly reports in HUDs Disaster Recovery Grant Reporting (DRGR) System.
- Enable the State to submit annually financial summary reports in HUD's DRGR system.

## **Managing the Monitoring Process**

ODOC will conduct 100% on-site monitoring of each contract under the Supplemental Disaster Program; therefore a Risk Analysis will not be necessary to determine monitoring priorities. On-site monitoring is a structured review conducted by ODOC staff at locations where project activities are being carried out and project records are being maintained. On-site monitoring will be conducted during the course of a project and at the completion of the project. The monitoring review considers all available evidence of conforming to the approved Action Plan and all other federal and state requirements. Checklists are utilized to ensure that all requirements are addressed.

ODOC Program Monitors will be thoroughly familiar with the Disaster program to be monitored and knowledgeable of the entities to be monitored. Preparation for monitoring is critical and includes:

1. Understanding governing statutes, regulations and official guidance;
2. Reviewing and analyzing participant reports, available data, Field Office files, audits and financial information, previous monitoring reports and issues; and
3. Obtaining other relevant information from previous monitoring reports and issues

This preparatory work may result in revisions to the individual monitoring strategy, either with respect to areas to be covered, estimated time-frames, and or staff resources needed/participant staff to be consulted.

ODOC will be in constant communication with our sub recipients. These sub recipients will be provided guidance and the monitoring checklist regarding technical areas which will be carefully reviewed. These include:

- Program Progress
- National Objectives of Benefit to CDBG- eligible beneficiaries
- State requirements
- Affordability Requirements
- Environmental
- Fair Housing and Equal Opportunity
- Labor
- As applicable Homebuyer and Homeowner programs
- As applicable Rental projects
- Administrative and Financial management requirements
- Lead hazards

## **Conducting the Monitoring**

All monitoring by ODOC will consist of the following elements:

### **A. Notification to the Sub-recipient.**

After the monitoring strategy has been developed, communicate with the sub-recipient to establish a date (whether on-site or remote). Once a date has been set, a formal written letter to the sub-recipient will be sent. Unless there are extenuating circumstances, the letter will be sent at least two weeks prior to the monitoring. The letter will discuss the monitoring schedule identify the areas to be reviewed, and the names and titles of the ODOC staff conducting the monitoring. It will also request that the necessary participant staff be available during the monitoring. For on-site monitoring, the letter will confirm the need for any required services (e.g., conference rooms, telephones, and computers). For remote monitoring, the letter will identify specific information to be submitted by the program participant and a timeframe for submission.

### **B. Entrance Conference.** The purpose of the entrance conference is to:

1. Explain how the monitoring will be conducted;
2. Identify and confirm key program participant staff that will assist during the monitoring;
3. Set- up or confirm meeting or interview times (including any clients who may be interviewed) and, if applicable, schedule physical inspections;

4. Verify the programs/activities to be reviewed and, if on-site, how access to files and work areas will be granted (some programs files can be sensitive; some work areas can be hazardous).

### **C. The Assessment Process.**

Monitoring entails interviews and file reviews to verify and document compliance and performance (and can include physical inspections, if monitoring is conducted on-site). ODOC will utilize checklists designed to capture all appropriate information and guide the review of the monitoring based on CPD Monitoring Handbook 6509.2 Rev-6 published by HUD.

#### **1. Evaluate**

The monitoring checklist is designed to assess and document compliance with program requirements based upon:

- a. File reviews to determine the accuracy of the information, using both automated and manual data and reports submitted to ODOC by the sub-recipient; and
- b. Interviews with sub-recipient staff, contractors, and clients to clarify and determine the accuracy of the information, assess level of satisfaction with the provision of services or the “end products,” and document performance.

Specific responses to the Monitoring Checklist questions are required. Although this approach can take more time up-front, it yields higher quality reviews that provide a better picture of the sub-recipient grant program for supervisory staff, HUDs Local Office, and others who have a need to review performance. The responses to each question provide important documentation for ODOCs administrative record.

ODOC will use a common sense approach and engage in a thorough evaluation of data and other information to draw defensible and supportable conclusions. ODOC understands that the main objective of monitoring is to assist program participants in carrying out their program responsibilities. “Is the program purpose being accomplished? Are the program beneficiaries being served as intended?” Are program requirements being met?

#### **2. Communicate**

Throughout the monitoring, ODOC will maintain an on-going dialogue with the program participant. This communication will keep the participant informed as to how the monitoring is progressing, enables discussions of any problem areas encountered, and provides the participant an opportunity to

make “on-the-spot” adjustments or corrections or present additional information to help the ODOC Monitor. It also minimizes the potential for surprises to the participant when the exit conference is held as well as when the monitoring results are formally communicated in writing.

3. Document

The responses to the questions in the Monitoring Checklist form the basis for monitoring conclusions and are supplemented by program participant records copied or reviewed during the monitoring. All Checklist questions will be clearly answered (both the “Yes/No/N/A” box and the “Findings/Comments” text box). For example, an N/A response could indicate either that the question did not apply or the reviewer was unable to answer it (due to time constraints, unexpected problems in other areas, etc.). The “Finding/Comments” section needs to succinctly but explicitly explain this.

**D. Exit Conference.**

At the end of the monitoring review, ODOC will conduct an exit conference with the appropriate participant officials or staff to discuss preliminary conclusions. In part, this serves to confirm the accuracy and completeness of the information used to form the basis for the monitoring conclusions. It may also highlight areas of disagreement between ODOC and the participant. The ODOC monitor is responsible for using the Checklist not only to prepare for the exit conference by clearly and concisely summarizing the conclusions, but also to document the issues discussed at the exit conference, the date and time of the meeting, and the names and titles of the attendees. To the extent that a program participant signifies disagreement, the basis for any objections should be noted. These summarizations are used to develop the monitoring letter.

**MONITORING CONCLUSIONS**

A. Decision Categories. As a result of monitoring, ODOC will reach one or more conclusions that:

1. Performance was adequate or exemplary;
2. There were significant achievements;
3. Concerns need to be brought to the attention of the program participant;
4. Technical assistance was provided or is needed; and/or
5. There were findings that require corrective actions.

All conclusions – positive or negative - must be supportable, defensible, and adequately documented.

B. Findings and Concerns. Where deficiencies are identified, the following procedures apply:

1. Findings. Where an identified deficiency results in a finding, the finding must include the **condition, criteria, cause, effect, and required corrective** action.
  - a. The **condition** describes what was wrong or what the problem was.
  - b. The **criteria** cite the regulatory or statutory requirements that were not met.
  - c. The **cause** explains why the condition occurred.
  - d. The **effect** describes what happened because of the condition.
  - e. The **corrective action** identifies the action(s) needed to resolve the problem and, unless inapplicable or there are extenuating circumstances, should include the time frame by which the participant is to respond to the finding.
2. Concerns. Monitoring concerns brought to the program participant's attention should include the **condition, cause, and effect**. The ODOC monitor will suggest or recommend actions that the program participant can take to address a concern, based on sound management principles or other guidelines. However, corrective actions are not *required* for concerns.

## **SANCTIONS**

### A. The Process

Identify monitoring deficiencies that rise to the level of a "finding" require corrective action. Responsibility rests both with the ODOC Monitor and the entity being monitored. The ODOC monitor must validate that there is sufficient documented information and/or evidence to support a finding of noncompliance. The entity being monitored has a responsibility to determine, or assist the ODOC Monitor in determining the reason why a requirement was violated or provide evidence of compliance.

A key ingredient of effective monitoring is the ability to identify the root cause(s) of any identified deficiencies, whether the problem is an isolated occurrence or systemic. Such knowledge leads to the development of optimal corrective actions. Keep in mind that there may be any number of acceptable

solutions to resolve a deficiency. Ideally, the program participant should agree with ODOCs assessment of the cause and offer a workable solution. In some cases, the ODOC Monitor may need to determine appropriate action if compliance is not possible, i.e., do we want money recovered, a grant reduced, limited or terminated? Contemplation of those or other serious corrective actions triggers the need for ODOC to contact the local HUD Office. Additionally, suspected instances of fraud or misconduct should be referred to the HUD Office of the Inspector General for further investigation as appropriate.

B. Monitoring Checklist

The questions contained within the Monitoring Checklist provide a standardized format structure of the financial and programmatic monitoring compliance areas. The Checklist provides a tool, which allow for fair and consistent monitoring procedures. Use of the Checklist will assure completeness and thoroughness of the monitoring. The Checklist also provides the monitor the information needed to prepare the monitoring letter upon return to the ODOC home offices. The checklist also provides the documentation and information necessary to justify corrective action and further monitoring if necessary. Any findings or problems noted during monitoring will be first noted on the monitoring checklist either next to the questions or noted on the note page at the back of the checklist. These problems or findings will be discussed with appropriate grantee personnel during the Exit Conference.

Understanding the cause serves to outline the action or actions needed to resolve the violation(s). To assist the ODOC monitor in developing corrective actions for findings of noncompliance, Attachment 2 of this Chapter provides a “sanctions table” by program or technical area. ODOCs and HUDs discretion for resolving deficiencies lies within these parameters. An important and fundamental principle of the monitoring process is that ODOC is *required to make findings* when there is evidence that a statute, regulation or requirement has been violated but it retains *discretion in identifying appropriate corrective action(s)* to resolve deficiencies. An equally fundamental principle is that program participants have due process rights to contest findings.

C. Monitoring Letter

Within 60 days after completion of monitoring, ODOC will send written correspondence to the sub-recipient describing the results – in sufficient detail to clearly describe the areas that were covered and the basis for the conclusions. Each monitoring letter is to include:

- A. the program, project or entity monitored;
- B. the dates of the monitoring;
- C. the name(s) and title(s) of the ODOC staff who performed the monitoring review.
- D. A listing of the program/project/activity areas reviewed (which, in most cases, will repeat the areas outlined in the notification letter to the participant);
- E. if applicable, a brief explanation of the reasons why an area specified in the notification letter was not monitored (e.g., time constraints, unanticipated problems arising in another area);
- F. monitoring conclusions;
- G. if applicable clearly labeled findings and concerns;
- H. if there are findings, an opportunity for the sub-recipient to demonstrate, within a time prescribed by ODOC, that the participant has, in fact, complied with the requirements;
- I. response time frames, if needed;
- J. an offer of technical assistance, if needed or a description of technical assistance provided during the monitoring.

Because ODOC works in partnership with the entities it funds, generally, the tone of the monitoring letter will be positive, in recognition of our common goal to responsibly and effectively implement Oklahoma Disaster program. ODOCs monitoring letter will not include general statements that the program participant “complied with all applicable rules and regulations.” Such broad general statements can negate ODOCs ability to apply sanctions, if deemed necessary at a later date. Monitoring conclusions, therefore, should be qualified, i.e., “based upon the materials reviewed and the staff interviews, the activity/area was found to be in compliance with (specify requirements).”

## **CLOSING FINDINGS**

- A. General. Follow-up by ODOC Monitors serves two purposes:
  1. It provides an opportunity to evaluate the effectiveness of monitoring efforts in maintaining or improving participant performance; and

2. It enables to determine that required corrective actions are implemented.

GAO considers the monitoring process to be completed only after an identified deficiency has been corrected, the corrective action produces improvements and it is determined that management action is not needed (see GAO/AIMD-00-21.3.1, *Standards for Internal Control in the Federal Government*, "Monitoring").

- B. Follow-Up. All follow-up actions will be documented and communicated to program participants. Target dates are assigned when corrective actions are required and relayed to the participant in the monitoring letter.
  1. In the event that a program participant fails to meet a target date - and has not alerted ODOC as to the reason for not meeting the date (and, if appropriate and agreed-upon, established a new date) - the ODOC monitor will follow-up either by telephone or email, with a reminder. Either form of contact will be documented.
  2. If the program participant has not responded within 30 days after the date of the ODOC Monitor's reminder, a letter will be sent to the program participant requesting the status of the corrective action(s) and warning the participant of the possible consequences (under the applicable program requirements) of a failure to comply. Where the program participant is unresponsive or uncooperative, the ODOC will contact the HUD Local Office for guidance on carrying out progressive sanctions.
  3. When the program participant notifies ODOC that the corrective actions have been implemented, the appropriate Monitoring Staff will review the submitted information within 15 working days. Regardless of whether the response is acceptable (and/or sufficient to close a monitoring finding) or inadequate, a letter will be sent to the program participant within 30 calendar days of receipt of its submission. The correspondence will either inform the participant that a finding has been closed; acknowledge any interim actions that have been taken and reaffirm an existing date; or state that additional information/action is needed and establish a new target date to resolve the deficiency. When determining whether it is reasonable or appropriate to establish new target dates, ODOC will consider the program participant's good faith efforts as well as any extenuating circumstances beyond the participant's control that impact timely and effective resolution.

## **BUILDING THE ADMINISTRATIVE RECORD**

- A. The Administrative Record will include all documents considered, either directly or indirectly, by ODOC in reaching a final decision on an issue. Documents can include contracts, forms, agreements, internal memoranda and notes, correspondence, email, electronic submissions, and any other document considered by the decision-maker or his staff in reaching the decision. It can be used by ODOC to take enforcement actions (e.g., to reduce or terminate a participant's grant) or to defend ODOCs decision if sued. Once the final decision is made, the Administrative Record cannot be supplemented with subsequent documents.

ODOC will ensure that it has a sufficient administrative record that supports its decisions so that ODOC can defend itself against appeals of the decision. In HUD-CPD programs that provide the participant an opportunity for a hearing before an administrative law judge before ODOC can reduce or terminate the grant, ODOC must have the evidence to support the determination that the program participant failed to substantially comply with the program requirement. The administrative record provides the primary evidence.

- B. All basic documents will be readily available. ODOC will write correspondence with the realization that it can be used effectively either for or against ODOC in litigation. Therefore, any written correspondence "stands on its own," whether you initiate it or are replying to a submission from the participant (or outside of the ODOC). It should be understandable to a third party reading it for the first time months or years later.

Correspondence containing administrative decisions requires special attention. When ODOC makes a finding, a request for corrective action is being conveyed, or ODOC is saying "no" to a request, the letter conveying the decision or action needs will show an understanding of the nature of the issue and explain our reasons.

Adverse actions must cite the authority, e.g., the applicable regulation, OMB Circular, or statutory provision. ODOC will avoid characterizations or personal opinions in written correspondence, whether letters, emails, or internal memorandums. ODOC will answer all correspondence within a reasonable amount of time after received. Demands or requests that we make of our program participants must be reasonable and it must be possible to complete required actions within the time allotted. All attachments will be retained to incoming or outgoing correspondence. All dates, signatures, and concurrences will be clearly legible. These actions will help protect ODOC against allegations of arbitrary and capricious conduct.

Telephone calls will be returned promptly. Notes will be taken of such calls, including the date of the call, the names of the people who participated in the call, and the substance of the conversations. For non-documentary materials, such as pictures, videotapes, recordings of interviews, etc., identify each item as to date, place, and names or narrators (if applicable).

- C. **Errors to Avoid.** To the extent that compliance issues arise with a program participant that results in litigation, indefensible or incomplete administrative records can hurt ODOCs ability to prove our case. Some of these problems are fixable; some are not. However, any problems either have to be corrected before ODOC can go to court or a judgment made by the Local HUD Office that a problem is fatal to any enforcement effort. ODOC will be cognizant of the problems that are difficult to fix such as:

1. Letters from ODOC that deny a request but do not explain the basis for the denial or cite the wrong authority;
2. Letters from ODOC containing unreasonable requests, either in time or action;
3. Unfulfilled promises by ODOC;
4. Letters that demonstrate lack of understanding of what a participant was asking for or proposing;
5. Actions taken by ODOC that do not follow our own procedures including inconsistencies in making findings;
6. Letters that do not stand on their own (i.e., are not understandable to a third party reading them for the first time months or years later);
7. Missing or illegible documents; and/or
8. Letters that clear findings without stipulations or verification of compliance.

- D. **Potential Consequences.** All ODOC files will be disclosed in litigation if the program participant requests it. Therefore, ODOC will create any kind of document, particularly internal memos, avoid conclusions, predictions, or inferences - they can harm the Department in litigation. Note that email messages are retained in back-up systems for up to three years after you delete them and, in most cases, must be disclosed in litigation. Voice mail messages are generally retained for up to three calendar days. All monitoring conclusions must be supported.

## **DUPLICATION OF BENEFITS POLICY**

Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5155) prohibits any person, business concern, or other entity from receiving Financial assistance with respect to any part of a loss resulting from a major disaster as to which he or she has received financial assistance under any other program or from insurance or any other source. In accordance with the Stafford Act, Disaster Recovery funds issued through the Department of Housing and Urban Developments Community Development Block Grant (CDBG-DR) program may not be used for any costs for which Other disaster recovery assistance was previously provided for the same purpose.

A duplication of benefit occurs when a beneficiary receives assistance from multiple sources such as FEMA, NFIP, private insurance companies, non-profits, City State, etc., for cumulative amount that exceeds the total need for a particular recovery purpose. The amount of the duplication is the amount of assistance provided in excess of need. The State of Oklahoma (Oklahoma Department of Commerce) Duplication of Benefit (DOB) Policy adheres to the guidelines published in the Federal Register/Vol. 76, No. 221/Wednesday, November 16, 2011.

There are various programs identified in the State CDBG Disaster Recovery Program-Action Plan that is subject to the Duplication of Benefit Policy. The Sub-grantee must calculate the amount of funds previously received or made available to assist with disaster needs. The sub grantee, during the intake/application process, persons, business concerns, and other entities will be required to disclose all sources of disaster recovery assistance received, and the sub-grantee will verify the amount received.

The sub-grantee at a minimum will:

- Identify the total need of assistance
- Identify the total of all available assistance
- Identify the assistance determined to be not available for the same purpose/activity
- Perform calculation determining the total funds available from other sources.
- Perform calculation determining the maximum eligible award
- Require all applicants to sign a subrogation agreement to repay any assistance later received for the same purpose
- Recapture funds if necessary. If additional need is established, subsequent funds would not be considered a duplication. If additional need is not demonstrated, disaster recovery funds must be recaptured to the extent they are in excess of the need and duplicate other assistance received by the beneficiary for the same purpose.

The Oklahoma Department of Commerce will contract out Disaster Recovery Funds with Units of Local Government (sub-grantees) for the implementation of all project delivery

and management activities. In performance of these activities the administrative function of the ODOC will be ensuring that all CDBG-DR requirements are met although the work is performed by the Sub-grantee. The Sub-grantee will perform the required analysis and determine any duplication of benefits (DOB). The Sub-grantee will work with all State, Federal, and private agencies, including FEMA, to obtain information about any assistance received from those agencies and their programs for each applicant. Project Manager Staff at ODOC will monitor the DOB process to ensure that Sub-grantees have conducted and complied with DOB analysis.

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# APPENDIX B2

COMPLIANCE MONITORING HANDBOOK

**PROGRAM AND TECHNICAL AREA SANCTION REFERENCES FOR NONCOMPLIANCE REMEDIES**

**Instructions:** The purpose of this table is to provide the sanction authority, by program or technical area, to assist HUD reviewers when determining. Appropriate corrective actions for Findings:

<b>PROGRAM/TECHNICAL AREA</b>	<b>SANCTION AUTHORITY</b>
CDBG Entitlement Program	24 CFR 570.304(a), 570.910, 570.911(a) and (b), 570.912, 570.913
Non-Entitlement CDBG Grants in Hawaii, Insular Areas Program	24 CFR 570.304(a), 570.910, 570.911(a) and (c), 570.912, 570.913
CDBG State Program	24 CFR 570.485(c), 570.495, 570.496
CDBG Recovery (CDBG-R) Entitlement Program	24 CFR 570.304(a), 570.910, 570.911(a) and (b), 570.912, 570.913, and Title XII of Division A of the American Recovery and Reinvestment Act of 2009
Non-Entitlement CDBG Recovery (CDBG-R) Grants in Hawaii, Insular Areas Program	24 CFR 570.304(a), 570.910, 570.911(a) and (c), 570.912, 570.913, and Title XII of Division A of the American Recovery and Reinvestment Act of 2009
CDBG Recovery (CDBG-R) State Program	24 CFR 570.485(c), 570.495, 570.496 , and Title XII of Division A of the American Recovery and Reinvestment Act of 2009
Colonia Set-Aside under the CDBG State Program	24 CFR 570.485(c), 570.495, 570.496, and Section 916 of the Cranston-Gonzalez National Affordable Housing Act of 1990
Section 108 Loan Guarantee Program	24 CFR 570.304(a), 570.485(c), 570.708
Economic Development Initiative (EDI)	24 CFR 570.304(a), 570.485(c), 570.708
Brownfields Economic Development Initiative (BEDI)	24 CFR 570.304(a), 570.485(c), 570.708
Disaster Recovery Assistance	24 CFR 570.304(a), 485(c), 495, 496, 910, 911(a)&(b), 912 & 913
Emergency Shelter Grants (ESG)	24 CFR 576.67
HOME Investment Partnerships Program (HOME)	24 CFR 92.551, 92.552
Homelessness Prevention and Rapid Rehousing Program (HPRP)	HPRP Notice, Section V. Post-Award Process Requirements (H) Sanctions (1) HUD Sanctions
Housing Opportunities for Persons With AIDS (HOPWA)	24 CFR 574.500(c)
Neighborhood Stabilization Program 1 (NSP-1) Entitlement Program	24 CFR 570.304(a), 570.910, 570.911(a) and (b), 570.912, 570.913, and Section 2301 of the Housing and Economic Recovery Act of 2008
Non-Entitlement Neighborhood Stabilization Program 1 (NSP-1) Grants in Hawaii, Insular Areas Program	24 CFR 570.304(a), 570.910, 570.911(a) and (c), 570.912, 570.913, and Section 2301 of the Housing and Economic Recovery Act of 2008
Neighborhood Stabilization Program 1 (NSP-1) State Program	24 CFR 570.485(c), 570.495, 570.496, and Section 2301 of the Housing and

Economic Recovery Act of 2008	
<b>PROGRAM/TECHNICAL AREA</b>	<b>SANCTION AUTHORITY</b>
Neighborhood Stabilization Program 2 (NSP-2) Entitlement Program	24 CFR 570.304(a), 570.910, 570.911(a) and (b), 570.912, 570.913, and Title XII of Division A of the American Recovery and Reinvestment Act of 2009
Non-Entitlement Neighborhood Stabilization Program 2 (NSP-2) Grants in Hawaii, Insular Areas Program	24 CFR 570.304(a), 570.910, 570.911(a) and (c), 570.912, 570.913, and Title XII of Division A of the American Recovery and Reinvestment Act of 2009
Neighborhood Stabilization Program 2 (NSP-2) State Program	24 CFR 570.485(c), 570.495, 570.496, and Title XII of Division A of the American Recovery and Reinvestment Act of 2009
Neighborhood Stabilization Program 2 (NSP-2) Nonprofit Grantee	24 CFR 84.62, 570.502(b), 570.910, 570.911(a), 570.913, and Title XII of Division A of the American Recovery and Reinvestment Act of 2009
Section 8 Mod. Rehab. SRO Program for Homeless Individuals	24 CFR 882.516(d)
Shelter Plus Care (S+C)	24 CFR 582.400 (b)
Supportive Housing Program (SHP)	24 CFR 583.400(b)
Empowerment Zones	Grant Agreement, Articles I, II, III and IV
Historically Black Colleges and Universities (HBCUs)	Housing and Community Development Act of 1974, Section 111
Rural Housing and Economic Development (RHED)	RHED Grant Agreement, Article I.A
Community Development TA Cooperative Agreements	Cooperative Agreement Provisions, Sanctions Section
Youth build	24 CFR 585.405(1)
Citizen Participation <sup>1</sup>	24 CFR 91.500, 92.550, 570.493, 570.903
Consolidated Plan <sup>1</sup>	24 CFR 91.500&520, 92.550, 570.493&903, Cranston-Gonzalez National Affordable Housing Act, Section 108
Environment (see Chapter 21 for program-specific regulations)	24 CFR 58.77(d)(1)
Fair Housing and Equal Opportunity (FHEO)	24 CFR 91.500, 92.551, 92.552, 92.619, 570.404, 570.496, 570.708, 570.904, 574.500(c), 576.67, 582.330, 583.325, 585.402, 598.430, 882.808(o)
Labor (see Chapter 23 for program-specific regulations)	29 CFR 5.5(a)(7), 29 CFR 5.5(b)(2)
Lead Hazards (see Chapter 24 for program-specific regulations)	24 CFR 35.170
Relocation	See Attachment I in Chapter 25 for program-specific regulations.
Flood Insurance	See Attachment 27-1 in Chapter 27 for program-specific regulations.

<sup>1</sup> Applicable to entities covered under the Consolidated Plan requirements only.

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# APPENDIX C

CITIZEN PARTICIPATION PUBLIC COMMENT

## **CDBG-DR Second Allocation Citizen Participation / Public Comment**

The State has an adopted Citizen Participation Plan as required by HUD in its Five Year Consolidated Plan/Annual Action Plan. The plan(s) provide citizens with information on how they can participate in HUD's formula funded CDBG program as well as the HOME, ESG, and HOPWA Programs. Upon notification that the State would receive a CDBG-DR grant allocation, the State has adopted this Citizen Participation Plan and modified it for this CDBG-DR Action Plan in accordance with the guidance set forth in the Federal Register Notice(s).

On September 3, 2014, the Draft CDBG-DR Action Plan was published and made available for public comment. Per the Federal Register Notice, a minimum of thirty (30) days is required to allow for public review of the proposed Action Plan. The comment period ended on October 3, 2014.

A chronology of citizen participation related events were conducted as part of the State's CDBG Disaster Recovery Action Plan is as follows.

- **CDBG-DR Needs Assessment (Second Allocation) Surveys: Mailed and Emailed out June 26, 2014**

Additionally, a program narrative and downloadable documentation were made available on the webpage.

- **Public Input Session (Informal): July 23, 2014, Needs Assessment / CDBG-DR Survey Discussion**

Notification posted on State's CDBG Disaster Recovery webpage located on ODOC's Website. Program narrative and downloadable documentation were made available on the webpage. The input session was also listed in the CDBG-DR Needs Assessment which was mailed out to units of local government (Counties, Cities, Towns), HUD Assisted, and LITHC entities within the areas impacted by the storm damage. Direct email and telephone contact was also made with parties who had contacted ODOC before the Federal Register Notice was released.

- **Public Hearing (Formal): September 3, 2014, Proposed CDBG-DR Action Plan Overview / Comments**

Notification posted on State's CDBG Disaster Recovery webpage located on ODOC's dedicated CDBG-DR Website. A meeting notification and program narrative was also posted on the ODOC website's *EVENTS* webpage as well.

The State welcomes public comments and encourages citizens to submit written comments. All postal delivered written comments are submitted to:

Oklahoma Department of Commerce

Attn: Scott Myers, Community Development / Community Infrastructure

900 N. Stiles Ave.

Oklahoma City, OK 73104-3234

Under the State's Citizen Participation Plan, each comment is considered and personally addressed. In all, only one written comment was received.

The State values the public's opinion by accepting citizen and other interested parties' comments throughout development and implementation of its CDBG Disaster Recovery program. Every effort is made to reach minorities, non-English speaking residents, as well as persons with disabilities. For all meetings, to facilitate comments, questions, and other information; a Spanish-speaking translator / Hearing Impaired Sign Language interpreter is made available upon request. As identified in the State's Consolidated Plan under the Citizen Participation component, special needs and translation services were available, as requested. No requests were made for Spanish-speaking translators or other special needs.

## **SUMMARY OF PUBLIC COMMENTS AND RESPONSES**

The following denotes the comments received as a result of the Public Hearing and public comment period. Pursuant to the State of Oklahoma Consolidated Plan public comment format, the comments received and their respective responses are grouped by topic and are followed by the response of the agency. All comments are required to be submitted in written form either by postal or electronically via email. As of the end of the public comment period (Oct. 3, 2014) ODOC/CD had received only one formal public comment.

### **CDBG-DR COMMENT(S)**

#### **TOPIC – Disaster Recovery State Plan Housing Section**

*(Claudia Brierre, INCOG): I know these are busy days for you all as you wade through the CDBG-DR applications and issues, but I wanted to touch base with you regarding the Housing sections of the State*

*Disaster Recovery Plan (2nd Allocation) to make sure I am proceeding on the same page as you. As you know, I administer the Tulsa County HOME Consortium and the Tulsa County CDBG Urban County programs. The HOME Consortium is anticipating partnering with the Town of Mannford to create affordable elderly apartments, funded through \$932,000.00 in HOME funds and \$5,000,000.00 in CDBG-DR funds. Tulsa County has issued a Request For Proposals to eligible CHDOs for the HOME portion of the project, to be opened by the Board of County Commissioners on October 13th. We will not enter into a contract with the CHDO (Vintage Housing) until the environmental review has been completed and all project funding sources (CDBG-DR) have been committed. I would anticipate the HOME contract in the December 1- January 1 timeframe, depending on ODOC's contract timeframe. Construction could begin in early Winter and generally takes 10-12 months.*

*Although I wasn't able to attend your State Plan input session, Rich and Barbara filled me in that the draft plan Housing portions contained language copied from the first Disaster Recovery Plan, and Rich asked me to send you an email discussing the unmet housing needs to be funded through the 2nd allocation. So, here goes.*

*Page 16 Multifamily Unmet Need identifies the City of Mannford 40 unit elderly housing for \$5,000.000 in unmet need, so that language is correct. Page 24 Multifamily Housing references Rental Housing Rehabilitation and Public Housing. The elderly housing in Mannford will be totally new construction created through a non-profit CHDO and is not Public Housing. As you know, New Construction of Multifamily housing is not customarily an eligible activity under CDBG. I have read the Federal Register Notices for the CDBG Disaster program, and don't see a specific waiver to this ineligibility. I could definitely be wrong- there is a lot of tiny print to scan. If there is a specific waiver, you can stop reading my message right now. There are a few provisions in the CDBG regs that would permit the use of CDBG funds for new construction, though, and I wanted to confirm these provisions were what you are using to qualify the funds:*

*I am using a handy Policy Memorandum entitled "Using CDBG Funds in Support of Housing" for the following points, and Chapter 4 of Basically CDBG Manual (November 2007):*

*Grantees may use CDBG funds in four ways for new housing construction, provided a national objective is met:*

- 1. Construction by eligible subrecipients. The regulations at section 570.204(a) allow for certain "eligible subrecipients" to receive CDBG funds for constructing housing. The eligible subrecipients are*

*described in section 570.204(c) as neighborhood-based nonprofit organizations (NBOs), section 301(d) Small Business Investment Companies (SBICs), local development corporations (LDCs), and Community Housing Development Organizations (CHDOs).*

2. *Two further requirements are imposed by section 570.204(a). To receive funding, eligible subrecipients must be undertaking a neighborhood revitalization, community economic development, or energy conservation project with the CDBG funds. And, the grantee must determine that the project is necessary or appropriate to achieve its community development objectives. (Will you require the Town of Mannford to develop a Neighborhood Revitalization Plan, or does the DR Plan serve as that?)*

3. *Eligible subrecipients must carry out the project in name and in deed. Although inexperienced eligible subrecipients may need technical assistance from the grantee, the eligible subrecipient must actually be implementing the activity.*

4. *(This last way doesn't apply here) Last resort housing. Under 24 CFR Part 42, Subpart I, grantees may construct housing of last resort. Grantees are limited to constructing housing for displacees of a CDBG project, subject to the Uniform Act, when the project is prevented from proceeding because comparable replacement housing is not available otherwise. [section 570.207(b)(3)(i)]*

*It should be noted that, except as provided for above, grantees are prohibited under section 570.207(b)(3) from constructing new housing using Block Grant funds. These regulations prevent grantees from acting as developers, themselves, with CDBG financing and from directly financing new housing.*

*I am interpreting all this to mean that in order for CDBG-DR funds to be used for new construction of affordable elderly housing, the Town of Mannford must undertake the activity using an eligible subrecipient, in this case a CHDO. The CHDO must carry out the activity themselves and the Town cannot be the developer or have ownership interest.*

*We are looking forward to creating affordable elderly housing in disaster-impacted Creek County through this unique funding partnership.*

**RESPONSE –**

**(ODOC/CD)** “New Construction” is allowed under Disaster Recovery as evidenced in FRN Vol 78 No. 43 March 5, 2013 Page 14335. The FRN specifically says that:

(1) Housing. Typical housing activities include new construction and rehabilitation of single family or multifamily units (including garden apartments, condominiums, and units that participate in a housing cooperative). Most often, grantees use CDBG–DR funds to rehabilitate damaged homes and rental units; rehabilitation activities may include the costs associated with mold remediation. However, grantees may also fund new construction or rehabilitate units not damaged by the disaster if the activity clearly addresses a disaster-related impact and is located in a disaster affected area. This impact can be demonstrated by the disaster’s overall effect on the quality, quantity, and affordability of the housing stock and the resulting inability of the existing stock to meet post-disaster needs and population demands.

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# APPENDIX D

IMPEDIMENTS TO FAIR HOUSING

## **IMPEDIMENTS TO FAIR HOUSING CHOICE (State Jurisdictional Review)**

The Housing Priorities and Strategies component in the State's Consolidated Plan identifies the need to minimize barriers to affordable housing from the state perspective. Before there is further discussion regarding the impediments of fair housing choice, one must first understand that the availability of and the ability to obtain affordable housing has a direct impact on those classified as 'protected classes' under the Fair Housing Act. Demographic, employment, and income data show that minorities, families with children (including single parent families), and persons with disabilities are proportionally overrepresented in low-income data and constitute those who are most often in need of affordable housing. It is this connection that one should understand that many barriers to affordable housing can in turn be understood to be an impediment to fair housing choice.

Conclusions drawn from the survey, demographic, economic, and housing related information reveal that these areas share some common themes which also qualify as impediments to fair housing. A discussion of these impediments (deterrents) follows. Each discussion concludes with an action plan outlining what steps the State of Oklahoma will take to try to diminish or eliminate these impediments.

### A. Impediment – Lack of Affordable of Housing for Rent

The recent recession caused many homeowners to lose their homes through foreclosure, changing those individuals for homeowners to renters. In addition, the resulting slump in the housing market and the increased risk to real estate lenders has made home loans more difficult to obtain. This comes at a time when more people are out of work or simply working at any job they can find. Household incomes are down and the costs of rents and utilities are rising. During the real estate boom, builders moved away from the construction of rental properties and into the construction of housing for sale.

In recent years, Affordable Housing Tax Credit rental projects have been delayed due to a lack of demand for the Tax Credits. There has been a resulting increase in the demand for rental housing at a time when there is a shortage of decent, safe and sanitary housing units for rent. These factors have created a severe shortage of affordable rental housing. This shortage of affordable rental housing has had a disproportionate impact on minorities, families with children, and individuals with disabilities.

#### Action - (Lack of Affordable of Housing for Rent)

Stimulus funds from the Tax Credit Assistance Program (TCAP) and the Section 1602 Exchange Program (Exchange Program) have been invaluable in reviving stalled Affordable Housing Tax Credit (AHTC) projects, which are all rental projects. Thirty-eight (38) projects received funding through one or both of these programs. Some have recently been completed, and the rest should be in service by the end of 2011. This will help ease the shortage of affordable rental housing.

In addition, OHFA is considering using a greater percentage of its HOME Investment Partnerships Program (HOME Program) funds for rental activities than in previous years. This is in response to public comment and the results of both surveys. OHFA will put forward this idea in the public input sessions and hearings for the 2012 HOME Program Action Plan. Unfortunately, the funds available through the

HOME Program have never been sufficient to meet the needs of the State of Oklahoma, and these funds have been reduced significantly in recent years. OHFA is not aware of the amount of funding that will be available for the 2012 Program Year. Nonetheless, OHFA will do everything it can, with the limited funds available, to provide the State of Oklahoma with as many affordable rental housing units as possible.

OHFA will also make every effort to encourage builders and developers to use Oklahoma Housing Trust Fund (HTF) monies as part of their development funding for rental properties. The HTF provides very low interest construction financing for both rental and homeownership projects, especially in the rural areas of the State. Once again, the amount of these funds is extremely limited, and the State legislature is no longer providing ongoing funding for the program. OHFA has only the existing funds, less than \$5 million, to assist these projects. OHFA is further limited by the HTF Rules regarding rental projects. Under the HTF Rules, OHFA may only fund up to 25% of the total development costs of a rental project with monies from the HTF. Also, this is only a construction loan program, and builders and developers must repay the funds by obtaining permanent financing once the project is complete.

#### B. Impediment – Financial Cost Burden of Low incomes or High Rents

This impediment is another one that was heavily emphasized in both surveys. Financial cost burden has been identified in prior analyses as a major impediment to fair housing choice. The problem has only been exacerbated by the recent economic downturn. Unemployment is up, many others are underemployed, and incomes are not rising at the same rate as the cost of rent and utilities.

Financial cost burden can pose a substantial impediment to the protected classes. Affordable units are generally defined as housing available to households at a cost that is no more than 30% of the total household income. Paying more than 30% of monthly income, sometimes substantially more, for rent/mortgage payments and utilities severely handicaps the members of the protected classes, who predominantly tend to have only lower income opportunities.

Local property tax has been identified as increasing the cost of housing for many Oklahomans across the state. Local governments are placing an increasing portion of the total tax burden on property taxes. This tax shift is occurring because the property tax is the only tax most local governments and school districts have flexibility to modify. High property taxes affect the cost of housing for both renters and homeowners.

Rental assistance and utility assistance payments represent the only viable way to alleviate the situation. However, all of the public housing authorities (PHAs) in the State of Oklahoma are oversubscribed in the area of rental and utility assistance. Most if not all of the PHAs have very long waiting lists for this assistance, and have closed their waiting lists due to the length of time it would take any new applicant to receive assistance. In light of the current economic slump and the political situation at the federal level, it is not anticipated that there will be any increase in the Section 8 Housing Choice Voucher Program, or any of the other federal and/or State sources of rental and utility assistance.

Action – (Financial Cost Burden of Low incomes or High Rents)

OHFA is considering increasing the amount of HOME funds set aside for Tenant-Based Rental Assistance (TBRA), in response to the results of the two surveys previously mentioned. It is anticipated that this will be one of the recommendations of the Affordable Housing Committee. Unfortunately, OHFA's funds are limited in this regard. The available HOME funds have been cut by 12% for 2011, and may be cut even further for 2012. Since a substantial part of the 2011 HOME funds have already been committed, and the rest are set-aside for other activities, there are no 2011 funds available for TBRA. Any increase for 2012 would have to be approved through the Consolidated Planning Process.

#### C. Impediment - Unemployment or Underemployment

This impediment ties directly to Impediment 'B' listed above. Unemployment and underemployment contribute to the financial cost burden of rent, mortgage payments and/or utilities facing individuals or households in the protected classes. If the able-bodied adult members of these households are unable to find employment at a salary equivalent to their skills and abilities, or are unable to find employment of any kind, the problem of financial cost burden becomes much worse. Larger amounts of assistance are required to help these families.

Absent an economic recovery affecting both the State of Oklahoma and the nation as a whole, rental and utility payment assistance will be required for more of the households in the protected classes, and in greater amounts. However, all of the public housing authorities (PHAs) in the State of Oklahoma are oversubscribed in the area of rental and utility assistance. Most if not all of the PHAs have very long waiting lists for this assistance, and have closed their waiting lists due to the length of time it would take any new applicant to receive assistance. In light of the current economic slump and the political situation at the federal level, it is not anticipated that there will be any increase in the Section 8 Housing Choice Voucher Program, or any of the other federal and/or State sources of rental and utility assistance.

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#### D. Impediment – Lack of Accessible Housing for the Disabled

Affordable, accessible housing is not readily available for many people with developmental disabilities. People who need accessible housing often have trouble finding it or obtaining the funds to modify existing housing. The lack of affordable housing in general only makes this situation worse. Many Oklahomans with developmental disabilities have Supplemental Security Income (SSI) as their only source of income. SSI payments are inadequate to pay market rents, and there are long waiting lists for

housing subsidies. Many individuals with developmental disabilities require some support services to enable them to live independently. For a number of reasons, it is frequently difficult to fund appropriate levels of flexible services to provide this support.

Oklahomans with developmental disabilities who need accessible housing have a difficult time finding appropriate units. Many developers, including developers of public housing, are only willing to develop accessible units if there is specific demand at the time the units are built. Furthermore, landlords often are not willing to leave accessible units open for those who need them, and will rent those units to people who do not need accessible housing. These actions contribute to a shortage of accessible housing.

Even low-income housing is frequently too expensive for people with developmental disabilities who live on SSI. Section 8 Housing vouchers have provided the primary subsidy for very low-income individuals living in community housing. Unfortunately, decreasing support for low income housing programs at the local, state, and federal level have made the problem of finding affordable housing for people with developmental disabilities even worse.

#### Action - (Lack of Accessible Housing for the Disabled)

Developers of AHTC properties are not required to provide any accessible units, as the AHTC Program does not mandate compliance with Section 504 of the Rehabilitation Act, which requires a certain minimum number of accessible units. However, many recent AHTC properties received assistance through the TCAP Program in order to complete stalled projects. All of the AHTC developments assisted with TCAP funds are required to meet the cross-cutting federal requirements, including Section 504. This means that many new rental developments that will place in service over the next year will have accessible units for disabled individuals or households.

The availability of units is only part of the problem, however. Disabled households must be able to pay the cost of rent and utilities for those units. As previously mentioned, OHFA is considering using more of its 2012 HOME Program allocation for TBRA. OHFA will look at requiring any TBRA activity to give preference to disabled individuals and households, similar to the preference given to such individuals and households by the Section 8 Housing Choice Voucher Program currently administered by OHFA.

#### E. Impediment - General Lack of Affordable Housing

This impediment is closely tied to Impediment 'A', a lack of affordable rental housing. It is evident from the survey responses and from the demographic, economic and housing data that all types of affordable housing are in short supply. Although rental housing appears to be the greatest need, affordable housing units for homeownership are also greatly needed.

Construction costs are rising, forcing the cost of homes for sale to increase. The average cost of homes for sale has risen at a greater rate than incomes have increased. To make matters worse, stricter lending practices resulting from the collapse of the housing market bubble have made it much more difficult for households with small down-payments and less than stellar credit to be approved for the purchase of a

home. The protected classes are disproportionately represented in the lower income strata, and are more likely to face great difficulties in becoming homeowners due to the conditions mentioned.

#### Action – (General Lack of Affordable Housing)

Due to the limited amount of HOME Program funds available, and the changes that will be proposed to the HOME Program set-asides in order to address other impediments to fair housing choice, it will not be possible to use HOME funds to address the lack of affordable housing for homeownership. As previously mentioned, OHFA will propose using HOME funds to help alleviate the shortage of other forms of affordable housing, such as housing units for rent.

To address the shortage of affordable housing for homeownership, OHFA will make every effort to educate the public regarding its Single Family Mortgage Revenue Bond Program (SFRMB). OHFA Advantage is a program offered through the SFRMB Program. OHFA Advantage offers 30 year, fixed rate, low interest home loans with 3.5% down payment assistance to homebuyers, statewide. Three products are available for eligible homebuyers to purchase any new or existing home: 1st Gold (most homebuyers), OHFA Shield (Police Officers & Fire Fighters) and OHFA 4Teachers (Educators). To qualify for OHFA Advantage (state bond money), households need only contact a participating lender. Homebuyers must meet income, purchase price and credit score guidelines. The maximum purchase price is \$189,607 and a minimum credit score of 620.

OHFA will also make every effort to encourage builders and developers to make use of the previously mentioned Oklahoma Housing Trust Fund. The HTF provides low-interest construction loan financing for both affordable housing for sale and affordable housing for rent. The HTF is an especially good source of funding for affordable housing for sale, since it can finance 100% of the construction costs of homes for sale.

#### F. Impediment - Racial bias, Prejudice or Stereotyping

Racial bias, prejudice or stereotyping impediments can be most difficult to address and can originate by various means. The lack of knowledge or education regarding fair housing laws and protections can sometimes serve as an impediment source for protected class members. This can include both those persons offering housing and persons seeking housing. Typically, a landlord's only sources of information regarding fair housing issues are general media reports, or possibly occasional housing presentations. Although many housing groups provide education to their members, not all of the landlords belong to these groups. This is especially true in the rural areas served by the State. Additionally, a vast majority of fair housing claims emanate from the two largest cities, thus indicating that residents in more remote communities (1) are less familiar with fair housing laws and complaint procedures; (2) are unwilling to travel the distances required to pursue action; and (3) perceive that the laws apply only to the metropolitan areas.

There have been many changes to fair housing law since 1968 and the information that many have been using may simply be out of date. The problem of outdated information affects not only private parties, but also has impacted some local government agencies charged with enforcing fair housing laws.

Outdated information may result persons seeking housing to become victims of misinformation or result in a lack of information about their housing rights. It is difficult to combat housing discrimination if people who are discriminated against are not aware that the practice is illegal.

Action – (Racial bias, Prejudice or Stereotyping)

☑ Action: As stated before, while unlawful, prejudice and stereotyping can be the most pervasive and are difficult to correct. Bigotry is not hereditary but a learned behavior stemming from early childhood or through negative life experiences. Educational awareness as mentioned previously is the best available tool but it ultimately remains up to the individual to act upon the new behavior. The State will continue to train funding recipients to recognize housing discrimination or direct clients who encounter housing problems and then to refer them to agencies that can help them remedy the issue or file a complaint with HUD or the OHRC.

☑ Action: Community Action Agencies and/or other community-based non-profit organizations are encouraged to remain proactive in regard to fair housing. These agencies are more readily accessible at the local level and are key players in rural housing advocacy. These local resources are encouraged to develop media campaigns which recognize the most opportune methods of reaching rural citizens, such as weekly or bi-weekly newspapers, county extension programs, or posters at the county fairgrounds, for example. Such public relations efforts might emphasize the concept that fair housing is indeed an issue on a statewide basis and not just limited to the most highly populated areas.

☑ Action: The State is now using online survey technology. This allows for a more direct method to reach rural Oklahoma in order to identify existing impediments. The initial results of using online survey methodology have been very promising. This online survey method provides many benefits over older postal mailing methods. First, emailing surveys or links to online survey questionnaires is very cost effective in an era of diminishing federal funding. Second, it is anticipated that the ease of use and accessibility to the survey will generate more responses than through previous postal mailing formats. The State sees this as a continually evolving process. As technology changes, survey delivery will adapt and change accordingly. Additionally, the questions themselves will change and be refined based off of previous survey response. Simply put, there is a continuous learning curve built in which will allow improved targeting and provide for getting the most accurate fair housing related data possible.

☑ Action: Programs which are administered by ODOC all require that grantees certify their compliance with fair housing laws, regulations, and standards. Implementation manuals which accompany the programs include the following requirements in regard to fair housing provisions for state-funded jurisdictions. By contractual requirement; contractors shall administer the program to affirmatively further fair housing in compliance with Public Law 88-352, Public Law 90-284, and 24 CFR Part 570.601 and 570.904(c). Fair housing requirements apply to all communities irrespective of size, with or without minority residents. For each fiscal year the contractor has received a contract from ODOC, the contractor must provide documentation of the steps taken to affirmatively further fair housing.

The following excerpt below is incorporated into the CDBG monitoring checklists. It verifies that grantees have met the following conditions in regards to fair housing.

a. Does Grant Recipient have an Ordinance? \_\_\_\_\_ or Resolution? Date: \_\_\_\_\_

How Enforced? \_\_\_\_\_

b. Have Complaints been received? \_\_\_\_\_

Is there documentation describing process to handle discrimination complaints (i.e. complaint form)?

c. Identify steps taken to further fair Housing (there must be one (1) step for each FY CDBG's have been received).

Year \_\_\_\_ Step Year Step

Year \_\_\_\_ Step Year Step

d. Were CDBG funds expended to further fair housing? \_\_\_\_\_

Findings/Comments:

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CDBG DISASTER RECOVERY

ACTION PLAN

# APPENDIX E

CDBG-DR ACTION PLAN REVISION / MODIFICATION