



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

Mr. Gustavo Velasquez
Director
Department of Housing
and Community Development
State of California
2020 West El Camino Avenue
Sacramento, CA 95833-1876

Dear Mr. Velasquez:

The Department approves the State of California's Action Plan Amendment (APA) #1 for Community Development Block Grant Disaster Recovery (CDBG-DR) funds appropriated under Public Laws 115-123 and 116-20 under grant number B-18-DP-06-0001. On August 14, 2018, under Public Law 115-123, HUD allocated \$124,155,000 to the State for long-term recovery and unmet needs from the 2017 wildfires, mudflow and debris flow. On January 27, 2020, under Public Law 116-20, HUD allocated an additional \$38,057,527 to address California's unmet infrastructure recovery needs related to those disasters. This Amendment adjusts program budgets to account for the additional allocation.

APA #1 will create a new program, remove a program and update existing programs. Descriptions of the primary modifications to the State's Action Plan is listed below:

- **Add Infrastructure Program.** Department of Housing and Community Development (DHCD) new infrastructure program will address the ongoing unmet infrastructure needs of local communities.
- **Remove FEMA Public Assistance Match Program.** The Federal Emergency Manage Agency (FEMA) Public Assistance (PA) Match program will be discontinued and PA Match activities will be funded through the new infrastructure program.
- **Expand Multifamily Housing Program.** DHCD will move funding from the initial FEMA PA Match program (\$3,531,803) to expand assistance to help address the unmet recovery needs of low- and moderate- income renter households.

State of California Total CDBG-DR Allocations

Program	Initial Action Plan Allocation	Percent of Total	Action Plan Amendment 1 Allocation	Percent of Total	Change
Total CDBG-DR Funds	\$124,155,000	100%	\$162,212,527	100%	\$38,057,527
Administration	\$6,207,750	5%	\$8,110,625	5%	\$1,902,875
Program Allocations	\$117,947,250	95%	\$154,101,902	95%	\$36,154,652
Housing Programs	\$114,415,447	92%	\$117,947,250	73%	\$3,531,803
Owner Occupied	\$47,627,648	38%	\$47,627,648	29%	\$0
Multi-Family	\$66,787,799	54%	\$70,319,602	43%	\$3,531,803
Infrastructure	\$3,531,803	3%	\$36,154,651	22%	\$32,622,848
PA Match	\$3,531,803	3%	\$0	0%	(\$3,531,803)
Infrastructure Program	-	-	\$36,154,651	22%	\$36,154,651
Total CDBG-DR Funds	\$124,155,000	100%	\$162,212,527	100%	\$38,057,527

The grant agreement for the additional \$38,057,527 for infrastructure unmet needs will be sent under separate cover. Please be advised that DHCD must adhere to its identified financial controls, procurement processes, grant management procedures, implementation plan and capacity assessment documentation until grant closeout, unless revised in consultation with HUD.

The Department remains committed to assisting the State of California in its efforts to recover from the devastating effects of the 2017 wildfires and looks forward to working with you and your staff in partnership to address the State's long-term recovery needs. If you have any questions regarding this allocation, please contact Tennille S. Parker, Director, Disaster Recovery and Special Issues Division, at Tennille.S.Parker@hud.gov.

Sincerely,

John Gibbs
Acting Assistant Secretary
for Community Planning and Development