



**ReCoverCA  
Owner-Occupied Housing  
Rehabilitation and  
Reconstruction Program**

# CDBG-DR program background



- **2017:** HUD provided \$162 million in CDBG-DR funds for recovery from the wildfire, debris flow, and mudslide events that took place in October and December – \$47 million dedicated to the Owner-Occupied Rehabilitation and Reconstruction (OOR) Program
- **2018:** \$1 billion in CDBG-DR funds, with \$205 million to the OOR Program for recovery from July-September and November wildfire and high-wind events
- Funding can only be expended within federally declared disaster areas

# OOR program details



## Owner-Occupied Rehabilitation and Reconstruction Program (OOR)

- Grants up to \$150,000 for 2017 disasters and \$200,000 for 2018 disasters
- Owned and lived in the damaged single-family or mobile home at the time of the disasters
- For unmet needs, a last resort if insurance, FEMA, and other resources are unable to fully cover the cost of rebuilding the home
- Households chosen based on income, severity of damage, and location

# Who is eligible?



- Owner-occupied home at the time of the disaster
- Home still has outstanding repairs
- Located in an eligible county
- Owner eligible for federal benefits
- Current on property taxes, on approved payment plan, or exempt
- Correct permitting

# Eligible uses for funding



- Rehabilitation
- Reconstruction
  
- Funding cannot be used for:
  - Mortgage payoffs
  - SBA home/business loan payoffs
  - Funding for detached accessory dwelling units
  - Funding for portions of property designated as a rental unit
  - Funding for second homes
  - Compensation payments

# Program construction solutions



The program has developed two solutions for applicants:

- Solution I: Program-managed rehabilitation or reconstruction
  - Manufactured housing units
- Solution II: Homeowner-managed rehabilitation or reconstruction

# Solution I: Program-managed



- The construction management contractor performs standardized work (a standard design that meets fire safety standards)
- Prepares a scope of work (SOW), based on standard grade materials as calculated using a national building-industry estimating software, for each rehabilitation and reconstruction project
- Contractors then complete projects in accordance with the SOW
- Contractor also responsible for Tier II services (site-specific environmental review)

# Manufactured homes (MHU)



- Rehab – under \$10,000 in damages and 2009 or newer
- Replacement: older than 2009 or at least \$10,000 in damages
- Construction management contractor is responsible for
  - Buying replacement Manufactured Housing Units (MHUs)
  - Hauling MHUs to the installation site
  - Completing all installation activities necessary
  - Ensuring unit registration and titling is completed through HCD Codes and Standards Division



# Solution II: Homeowner-managed



- Owner has already engaged a construction contractor or chooses to engage in a construction contract independently
- Construction management contractor reviews applicant-provided plans and monitors, oversees, and inspects the construction process
- Developing an SOW as needed

# Where is the funding spent?



- 80 percent of funds must be spent in locations HUD has identified as the Most Impacted and Distressed (MID) areas
- 70 percent of funds must be spent to benefit low-to-moderate income persons
  - Based on HUD income limits by county/MSA
  - Income limits vary by county and household size

# Where are MID areas?



## 2017

- Ventura County
- Sonoma County
- 95422 the City of Clearlake and surrounding parts of Lake County
- 95470 in Mendocino County
- 95901 in Yuba County
- 94558 in Napa County
- 93108 – the City of Montecito and surrounding parts of Santa Barbara County

## 2018

- Butte County
- Lake County
- Los Angeles County
- Shasta County
- Ventura County

# Program administration



- Applicants are tiered according to income, severity of damage, and location
- Applicants will be assisted in order of priority, **starting with Tier 1**, until funding runs out

Applicant Prioritization Tiers			
Tiering Level	Owner-Occupant Household Income	Severity of Damage	Geography
Tier 1	LMI Only	Major or Severe Damage	7 Most Impacted Counties & Zip Codes Only
Tier 2	LMI Only	Major or Severe Damage	All Areas That Received a Federal Disaster Declaration
Tier 3	LMI Only	NOT Major or Severe Damage	7 Most Impacted Counties & Zip Codes Only
Tier 4	LMI Only	NOT Major or Severe Damage	All Areas That Received a Federal Disaster Declaration
Tier 5	Income above low-to-moderate	Major or Severe Damage	7 Most Impacted Counties & Zip Codes Only
Tier 6	Income above low-to-moderate	Major or Severe Damage	All Areas That Received a Federal Disaster Declaration
Tier 7	Income above low-to-moderate	NOT Major or Severe Damage	7 Most Impacted Counties & Zip Codes Only
Tier 8	Income above low-to-moderate	NOT Major or Severe Damage	All Areas That Received a Federal Disaster Declaration

# Example 1: Find your tier



- Household income is below 80% of area median income, according to HUD
- Home sustained less than \$8,000 of damage
- Home is in disaster-declared county, outside of the MID area

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# Example 2: Find your tier



- Household income is above 80% of area median income, according to HUD
- Home sustained at least \$8,000 of damage
- Home is in a MID area

Applicant Prioritization Tiers			
Tiering Level	Owner-Occupant Household Income	Severity of Damage	Geography
Tier 1	LMI Only	Major or Severe Damage	7 Most Impacted Counties & Zip Codes Only
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# Applicant Survey and Program Process

# Applicant outreach and survey

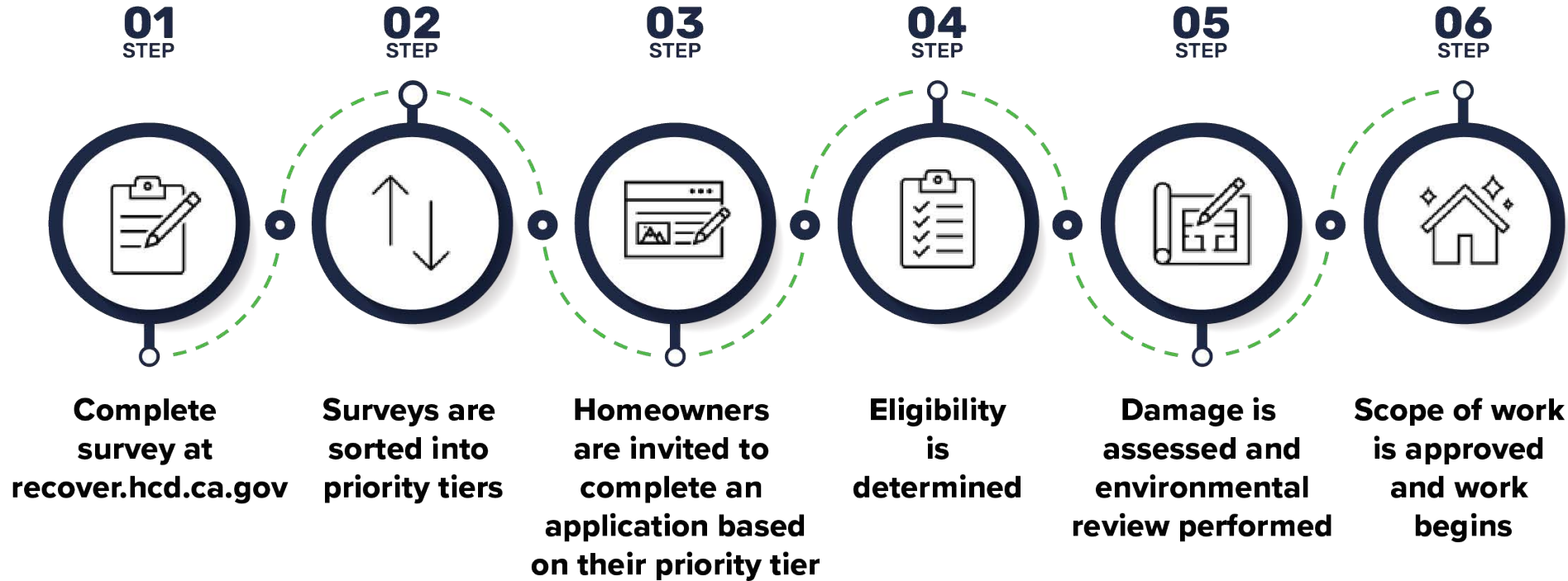


- Outreach conducted through media and local community engagement for targeted low- to moderate-income homeowners and harder to reach communities and individuals.
  - Interested applicants are encouraged to fill out an online survey at [recover.hcd.ca.gov](https://recover.hcd.ca.gov).
  - Survey is open to those affected by 2017 and 2018 wildfires

*For assistance completing the survey or to receive this information in additional languages, please email your contact information to [ReCoverCA@hcd.ca.gov](mailto:ReCoverCA@hcd.ca.gov).*



# Program process



# How to complete the survey



- [Recover.hcd.ca.gov](https://Recover.hcd.ca.gov)
- Over the phone or online with a Case Manager
- Paper survey
  - The survey is available to download from the ReCoverCA website and can be emailed, printed and mailed, or printed and faxed
  - We are presently trying to minimize in-person meetings to accommodate social distancing required to limit the spread of COVID-19, but may eventually be able to assist with paper surveys

# Questions?

- Email [ReCoverCA@hcd.ca.gov](mailto:ReCoverCA@hcd.ca.gov)
- Call (916) 263-6461
- Visit [recover.hcd.ca.gov](http://recover.hcd.ca.gov)

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California

