

**STATE OF TENNESSEE
ACTION PLAN FOR CDBG SUPPLEMENTAL
DISASTER RECOVERY FUNDS**

Pursuant to:

U.S. Department of Housing and Urban Development Docket No. FR-5696-N-03 [Federal Register: May 29, 2013 (Volume 78, Number 103)]

Authorized By: The Disaster Relief Appropriations Act (Public Law 113-2,
approved January 29, 2013)

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Table of Contents

INTRODUCTION 3

THE IMPACTS OF THE DISASTER AND TENNESSEE’S RECOVERY NEEDS 4

Impacts of the Disaster 4

Needs Assessment..... 6

PLANNING AND COORDINATION..... 9

LEVERAGING FUNDS..... 9

PROTECTION OF PEOPLE AND PROPERTY; CONSTRUCTION METHODS..... 9

DISASTER-RESISTANT HOUSING 10

PUBLIC HOUSING, HUD-ASSISTED HOUSING, HOUSING FOR HOMELESS 10

MINIMIZING DISPLACEMENT..... 11

PROGRAM INCOME..... 11

MONITORING STANDARDS AND PROCEDURES 11

PROCEDURES TO DETECT & PREVENT FRAUD, ABUSE, AND MISMANAGEMENT..... 12

CAPACITY 13

DESCRIPTION OF MOD 13

BASIS FOR ALLOCATION 14

UNMET NEEDS..... 14

PROGRAM ACTIVITIES..... 15

CRITERIA TO DETERMINE MOD..... 19

SUBSTANTIAL AMENDMENTS TO THIS ACTION PLAN 21

PUBLIC COMMENTS..... 22

CERTAIN AUTHORIZED WAIVERS FOR DISASTER UNDERTAKINGS..... 22

STATE CERTIFICATIONS 24

APPENDIX A..... 27

INTRODUCTION

The State of Tennessee is required to publish an Action Plan for Disaster Recovery (henceforth referred to as Action Plan) that describes the proposed use of U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) funding associated with the Disaster Relief Appropriations Act (Public Law 113-2, approved January 29, 2013). The Act provides for disaster relief for unmet needs, long term recovery and restoration of infrastructure, housing and economic revitalization resulting from severe weather in the state that occurred during 2011 and 2012, for which the President declared major disasters under Title IV of the Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.). The HUD guidance for the funding was published March 5, April 19, and May 29, 2013 in the Federal Register as Docket Number FR-5696-N-01, 02, 03.

This document will describe 1) the eligible affected areas and eligible applicants; 2) the methodology to be used to distribute funds to those areas and applicants; 3) activities for which funding may be used; 4) citizen participation procedures; and 5) grant administration standards.

This Action Plan will be used by the state to guide the distribution of the initial allocation of \$5,000,000 of the \$13,810,000 total allocation of CDBG Disaster Recovery Funding toward meeting unmet housing, infrastructure, and economic revitalization needs in counties designated as Presidential Disaster Areas during 2011 and 2012, as further directed by Public Law 113-2 and HUD's Notice of Funding Availability provided in Federal Register Volume 78, Number 103, Docket No. FR-5696-N-03 published on May 29, 2013 (The Notice). The initial \$5,000,000 allocation will be targeted toward activities in Shelby County and to conducting pre-applications for the other affected counties.

THE IMPACTS OF THE DISASTER AND TENNESSEE'S RECOVERY NEEDS

Impacts of the Disaster

Between February and July, 2011 five Presidentially-declared disasters occurred in Tennessee, followed by another in February and March, 2012.

- FEMA-1965-DR – Occurred February 28-March 1, 2011 – Declared on March 31, 2011 – Severe storms, tornadoes, and flooding affecting 13 counties (Franklin, Fentress, Grainger, Hamilton, Houston, Humphreys, Jackson, Jefferson, Moore, Morgan, Pickett, Scott, and Union Counties) (<http://www.fema.gov/disaster/1965>)
- FEMA-1978-DR – Occurred April 4, 2011 – Declared May 9, 2011 – Severe storms, flooding, tornadoes, and straight-line winds affecting 9 counties (Chester, Davidson, Decatur, Dickson, Henderson, Humphreys, Lake, Shelby, and Sumner Counties) (<http://www.fema.gov/disaster/1978>)
- FEMA-1979-DR – Occurred April 19, 2011 – Declared May 9, 2011 – Severe storms, tornadoes, straight-line winds, and flooding affecting 17 counties (Benton, Carroll, Crockett, Dyer, Gibson, Henderson, Henry, Houston, Lake, Lauderdale, Madison, Montgomery, Obion, Shelby, Stewart, Tipton and Weakley Counties) (<http://www.fema.gov/disaster/1979>)
- FEMA-1974-DR – Occurred April 25-28, 2011 – Declared May 1, 2011 – Severe storms, tornadoes, straight-line winds, and associated flooding affecting 52 counties (Benton, Bledsoe, Blount, Bradley, Campbell, Carroll, Chester, Cocke, Crockett, Fayette, Fentress, Franklin, Gibson, Giles, Greene, Hamilton, Hardeman, Hardin, Henderson, Henry, Hickman, Houston, Humphreys, Jackson, Jefferson, Johnson, Knox, Lake, Lawrence, Lewis, Lincoln, Loudon, Madison, Marion, Marshall, McMinn, McNairy, Monroe, Montgomery, Moore, Perry, Pickett, Polk, Rhea, Scott, Sequatchie, Shelby, Smith, Sullivan, Washington, Wayne and Weakley Counties) (<http://www.fema.gov/disaster/1974>)
- FEMA-4005-DR – Occurred June 18-24, 2011 – Declared July 20, 2011 – Severe storms, straight-line winds, tornadoes, and flooding affecting 7 counties (Anderson, Claiborne, Grainger, Henderson, Knox, Loudon, and Marion Counties) (www.fema.gov/disaster/4005)
- FEMA-4060-DR – Occurred February 29-March 2, 2012 – Declared March 13, 2012 – Severe storms, tornadoes, straight-line winds, and flooding affecting 10 counties (Bradley, Claiborne, Cumberland, DeKalb, Hamilton, Jackson, McMinn, Monroe, Overton, and Polk Counties) (<http://www.fema.gov/disaster/4060>)

As a result of the storms, more than \$21M in Individual Assistance and \$93M in Public Assistance funding has been obligated by FEMA for the disaster response and recovery.

Each of the disasters is described below.

FEMA-1965-DR

Between February 28, 2011 at 6:18 PM and March 1, 2011 at 12:05 AM there were 7 reports of possible tornadoes resulting in 1 fatality and 4 injuries. There were also 2 reports of hail and 18 reports of high wind and/or wind damage according to the National Weather Service (http://www.spc.noaa.gov/climo/reports/110228_rpts.html). The fatality occurred in Franklin County.

FEMA-1978-DR

According to the National Weather Service on April 4, 2011 there were 10 reports of possible tornadoes between 6:19 PM and 10:36 PM, 5 reports of hail and 115 reports of high wind and/or wind damage from 3:00 PM through 11:20 PM. (http://www.spc.noaa.gov/climo/reports/110404_rpts.html)

FEMA-1979-DR

According to the National Weather Service on April 19, 2011 there were 6 reports of hail from 3:50 AM through 8:35 AM and 45 reports of high wind and/or wind damage during the same time period. (http://www.spc.noaa.gov/climo/reports/110419_rpts.html)

FEMA-1974-DR

On April 25, 2011 at 5:30 reports of storm damage began to come in to the National Weather Service. 53 reports of possible tornadoes, 73 reports of hail, and 156 reports of high wind and/or wind damage involving 32 fatalities and many injuries were reported through 5:10 on April 29, 2011. (http://www.spc.noaa.gov/climo/reports/110425_rpts.html)

In East Tennessee, 13 fatalities occurred in Hamilton, Bradley, Polk and McMinn Counties with more than 200 injured in the Collegdale EF4 storm, 4 fatalities occurred in Sequatchie, Bledsoe and Rhea Counties with 10 others injured in the New Harmony EF4 storm. 2 EF3 storms in Greene County resulted in 8 additional deaths and 33 injuries. 4 other storms resulted in 7 deaths across the state. Another outbreak of storms occurred in West Tennessee during the same time. 5 tornadoes occurred in the state.

FEMA-4005-DR

Between 6:18 PM on June 18, 2011 and 7:05 PM on June 24, 2011 there were 4 reports of possible tornadoes, 33 hail reports, 98 reports of high wind and/or wind damage involving 1 injury (http://www.spc.noaa.gov/climo/reports/110618_rpts.html).

FEMA-4060-DR

According to the National Weather Service on February 29, 2012 between 8:50 PM and 2:40 AM on March 3, there were 29 reports of possible tornadoes that involved 3 fatalities and 44 injuries, 84 reports of hail and 64 reports of high wind and/or wind damage. (http://www.spc.noaa.gov/climo/reports/120229_rpts.html)

The 2011-2012 federally designated areas eligible for assistance include the counties (and cities within eligible counties) designated pursuant to FEMA designations 1965, 1978, 1979, 1974, 4005, and 4060 as described in Section A above. The counties include

Anderson, Benton, Bledsoe, Blount, Bradley, Campbell, Carroll, Chester, Claiborne, Cocke, Crockett, Cumberland, Davidson, Decatur, DeKalb, Dickson, Dyer, Fayette, Fentress, Franklin, Gibson, Giles, Grainger, Greene, Hamilton, Hardeman, Hardin, Henderson, Henry, Hickman, Houston, Humphreys, Jackson, Jefferson, Johnson, Knox, Lake, Lauderdale, Lawrence, Lewis, Lincoln, Loudon, Madison, Marion, Marshall, McMinn, McNairy, Monroe, Montgomery, Moore, Morgan, Obion, Overton, Perry, Pickett, Polk, Rhea, Scott, Sequatchie, Shelby, Smith, Stewart, Sullivan, Sumner, Tipton, Union, Washington, Wayne and Weakley Counties

Needs Assessment

ECD assessed unmet needs from the disasters through Tennessee Emergency Management Agency (TEMA) reports, a request sent to all affected mayors and grant administrators for information on their unmet needs, a request sent to all affected public housing agencies requesting information on their unmet needs and a review of FEMA disaster reports. For the unmet needs in Shelby County, ECD worked with the Shelby County Department of Housing (SCDH) and used their Action Plan for disaster recovery funds that outlines their needs.

Through an analysis of the information gathered, ECD has determined that the infrastructure sector has suffered major damage and infrastructure improvements should be the main focus of these funds.

Three aspects of recovery:

Housing – During the public comment period for this action plan, elected officials and community leaders were specifically solicited for comments on the need for housing assistance. Public housing authorities were also notified of the publication of this Action Plan and comments were requested to assess their ongoing needs for assistance. Nothing provided by the public housing agencies, elected officials or other community members, or the TEMA or FEMA reports indicate that there are unmet needs in the area of housing.

Because of the amount of time that has elapsed since the disaster, many of the housing needs have been met with insurance, THDA, TEMA or SBA funds. ECD will work with communities to identify any remaining unmet needs in housing through the application

process. If communities do have unmet needs in the area of housing, they can apply for funding for owners and/or renters and for single and multi-family projects for low-income, HUD-assisted and market rate housing. Any funds used for housing will be focused on serving low-income areas and residents but available for other housing needs as well. It does not appear from the needs assessments that there are specific neighborhoods with a high percentage of damaged homes. Damage was spread across 69 counties over more than a year.

Emergency shelters, transitional housing needs for homeless individuals and families, and activities to prevent low-income families from becoming homeless due to this disaster were addressed during the short-term recovery period immediately after the disaster. Those needs will also be considered during the long-term recovery period. The State will work with the Tennessee Housing Development Agency and their Continuum of Care organizations to provide necessary services through programs such as the Emergency Shelter Grant program and the Homelessness Prevention and Rapid Re-Housing Program.

Infrastructure – Through contact with elected officials during the public comment period for this Action Plan and a review of TEMA and FEMA reports, it was determined that there are unmet needs in the area of infrastructure. Shelby County also completed a needs assessment and determined there are unmet needs in their communities in the area of infrastructure.

Appendix A to this report lists the unmet needs that include watershed improvements; drainage improvements; bridge reconstruction; damage to schools, roads, recreation areas; need for emergency equipment, shelters, sirens and emergency operations centers; water system and sewer system improvements; etc. Almost every need identified through the public comment period and needs assessments by ECD and TEMA identified infrastructure as the primary area where funds are needed. (See Appendix A)

Just over \$4 million will be available to 68 counties across the state. ECD will target these funds to the infrastructure needs because of the level of need and the potential impact to a high number of people affected by the disasters. The need greatly exceeds the amount of funding available. Many of the infrastructure projects will incorporate mitigation and resiliency measures to protect against future hazards without adding to the budgets. All subgrantees will address in their applications how mitigation and resiliency will be addressed and additional costs associated with those measures.

More than \$9.5M of the State's funding is set aside for use in Shelby County. A public meeting was conducted by the Shelby County Department of Housing and County Mayor Mark Luttrell, Jr. on June 13, 2013 with local governments and other stakeholders that may have unmet needs from the Disasters. ECD has worked with the Department of Housing on this Action Plan and to identify unmet needs in Shelby County that the State can assist with. Projects submitted to the Department of Housing after the meeting and passed on to ECD for consideration are infrastructure projects including bridge reconstruction, sidewalk repair, drainage improvements, etc. These are also documented in Appendix A.

Economic Development – During the public comment period, ECD solicited information from mayors and community leaders specifically related to economic development. As a result of the public comments received and a review of the TEMA and FEMA projects and requests for assistance, it was determined that there were not any unmet needs in the area of economic development. Communities can apply for funds for economic development projects if needs are discovered during the application and public hearing process.

FEMA and the SBA were available to provide assistance to communities and businesses immediately following each of the disasters, and FEMA provided more than \$110 million in disaster response funding. There was not a specific type of business impacted more than others during these disasters according to the needs assessments.

Forms of Assistance:

Short Term – The State of Tennessee short term disaster recovery needs were addressed through a mechanism coordinated through the Tennessee Emergency Management Agency (TEMA). TEMA assisted the local jurisdictions that were responsible for first response by coordinating with FEMA and the SBA to supplement the efforts of the local teams through the establishment of Joint Field Offices. For Individual and Public Assistance, TEMA and other state agencies coordinated teams that included staff from various state and federal agencies that assist citizens, businesses, local governments and other entities impacted by the disasters to provide immediate assistance with their short term needs. FEMA provided more than \$110 million in disaster response funding and early recovery funding to counties in Tennessee for these disasters.

Long Term – In addition to the areas' short term needs which were generally addressed as outlined above, the affected jurisdictions also have long term recovery needs in the areas of infrastructure which can be partially addressed and leveraged through an emphasis on the CDBG activities outlined in the May 29, 2013 Notice.

Each community that receives an award will document other benefits that they have received or will likely receive including FEMA, SBA, TEMA and/or insurance in order to prevent a duplication of benefits. CDBG-DR funds will be used in areas that were not covered by the additional sources of funding. It is unlikely that other funding will be available in the future, but grantees will be responsible for reporting additional funding and how it will be used for other unmet needs.

According to the unmet needs identified during the public comment period, through TEMA requests for funding and through information gathered from Shelby County needs assessments, the need greatly exceeds the \$13.8 million available. The application process is expected to be very competitive.

Description of impacts:

See Appendix A for a description of impacts at the local (city and county) level as reported during the public comment period. Shelby County's Action Plan also outlines impacts in that community. Their Action Plan will be used by ECD to determine unmet needs and spending priorities for that community along with this Action Plan.

PLANNING AND COORDINATION

The State promotes sound short- and long-term planning of future growth at both the state and local levels through the Tennessee Emergency Management Plan (TEMP) of 1993, updated. Each local government's Comprehensive Plan contains a Natural Resources element that identifies floodplains and other natural systems that each local government must take into consideration in planning its future. Additionally, as a county or city Comprehensive Plan is being updated, other neighboring local governments, and potentially affected parties (e.g. local development authorities, Regional Development Centers, etc.) are afforded an opportunity to review the draft Plan and provide comments, suggestions etc. to the local government authoring the Plan. (Note - Failure of a Tennessee county/city to prepare or maintain their Comprehensive Plan results in a loss of that local government's eligibility for State grant and loan funding; therefore, all 95 counties and 336 cities in the State have a Comprehensive Plan.) The Planning Act and the various elements contained within individual and regional plans encourage responsible land use decisions that reflect flood plain management, removal of regulatory barriers to reconstruction, and coordination of individual planning requirements (transportation, water, sewer, housing, etc.) of other state and federal programs and entities.

ECD will work with TEMA, THDA and the State's Fire Marshal to coordinate recovery activities. TEMA is currently in the process of developing a guide for local governments to develop comprehensive disaster recovery plans at the local level. Subrecipients will be encouraged to use the technical assistance that can be provided by TEMA to ensure coordinated and thoughtful disaster recovery.

LEVERAGING FUNDS

Subrecipients will be encouraged to leverage funds and additional consideration will be given to applicants who show they will leverage local funds or other disaster recovery or response funds.

PROTECTION OF PEOPLE AND PROPERTY; CONSTRUCTION METHODS

The State requires construction methods that emphasize high quality, durability, energy efficiency, a healthy indoor environment, sustainability, and water and mold resistance through the enactment and enforcement of building codes that deal with all aspects of building construction. These include modifications to building codes in potential high risk corridors where structures are more at risk from storms, tornadoes, or earthquakes.

The State adopted and operates under the 2006 International Building Code Series. Under the provisions of this Code Series, the State Fire Marshal's Office is charged with the responsibility of adopting and maintaining the following codes (Building Code, Energy Code, Residential Code, Fire Code, and Life Safety Code) that have statewide application.

Local governments can be approved to use older versions of these codes or to opt out of some of the codes in consultation with the State Fire Marshal's Office. Each of these codes is updated by the Fire Marshal's Office to ensure they are maintained in accordance with the highest applicable national standards.

The Fire Marshal will also ensure compliance with the Green Building Standard established in the Notice for all replacement of residential buildings as well as non-residential buildings that are rehabilitated or replaced. Administrators of the awarded projects will be responsible for ensuring compliance with the HUD CPD Green Building Retrofit Checklist for buildings that are rehabilitated.

For the purposes of this funding, housing that is "not suitable for rehabilitation" includes housing where repair costs exceed 50% of replacement cost. This standard will ensure replacement housing that meets codes including Green Building Standards that is safer and more secure for low- to moderate-income families.

For more information on adopted codes, see <http://www.tn.gov/fire/documents/adoptedcodes3.21.12.pdf>.

DISASTER-RESISTANT HOUSING

The State will encourage the provision of adequate storm and flood resistant housing for all income groups that lived in the disaster-affected areas through the planning and building code details contained in sections above. In addition, where unique or severe redevelopment needs occur and where state resources allow, the Department provides communities specialized technical assistance and workshops that assist in the application of not only the broad planning but also with the "tactical" planning needed for small areas or neighborhood redevelopment.

The State has been aggressive in passing legislation that encourages incentives for both public and private sector redevelopment projects. These initiatives when leveraged with CDBG, HOME and other federal initiatives can have dramatic results in improving the housing and quality of life for all income groups. As transitional and permanent supportive housing for individuals and families with children that are homeless or at risk of becoming homeless is approved for funding, ECD and the State Fire Marshal's office will assist with making that housing disaster-resistant. ECD will ensure that the housing development decisions affirmatively further fair housing principles and do not negatively affect racial, ethnic and low-income areas.

PUBLIC HOUSING, HUD-ASSISTED HOUSING, HOUSING FOR HOMELESS

As mentioned above, public housing authorities in the affected counties were notified of the publication of the Action Plan for public comment. No comments or unmet needs were received from the PHAs. PHAs will be notified when the applications are available; if it is

identified in the application process that there exists unmet needs for rehabilitation, reconstruction or replacement of public housing, HUD-assisted housing and McKinney-Vento funded shelters and housing for the homeless, those applications will receive special consideration.

MINIMIZING DISPLACEMENT

As with the regular CDBG program, ECD will work to minimize displacement. It is not expected that any of the CDBG activities will displace persons, but if they are displaced, they will be assisted and Uniform Relocation Act policies will be followed. Recipients implementing projects and activities enabled through this Action Plan are expected to ensure the assistance and protections afforded to any persons or entities under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) of 1970 (URA), as amended and section 104(d) of the Housing and Community Development Act of 1974 (HCD), as amended. Tennessee plans to avail itself and allow any recipients the benefits of the waivers set forth in the Notices pertaining to URA and HCDA given the needed priorities to engage in voluntary acquisition and optional relocation activities to avert repeated storm or flood damage and to improve floodplain management.

PROGRAM INCOME

Program income is not expected to be generated as a result of any of the CDBG-DR activities, but if it is, appropriate procedures will be followed as in the regular CDBG program. Any income will be used to complete additional applications for funding that were not able to be funded with the initial assessment.

MONITORING STANDARDS AND PROCEDURES

Disaster CDBG projects will receive on-site monitoring to document local accountability and prevent inappropriate activities. Monitoring areas will include the standard CDBG programmatic areas including eligibility of activities, financial management, citizens' participation, environmental review records, procurement, and review of contract provisions, acquisition, rehabilitation, clearance, and disposition of any properties. The areas will also include a duplication of benefits analysis which will be completed by each grantee and reviewed at the monitoring visit. At the minimum each activity will be monitored at least once on site. Program representatives will also check and verify reported outcomes during on-site monitoring visits. Should any findings occur, recipients will be required to correct the problem or else the ineligible expenditures will be disallowed and funds recaptured by the Department.

The Department will require status reports for the status of the activities undertaken and the funds drawn. The state will then report to HUD using the online Disaster Recovery Grant Reporting system. Additional reporting requirements (i.e., annual audits, contractual

obligations and other required reports) will be specified in the Department's grant agreement.

See Appendix B for the ECD and Strategy Division organization charts that show audit staff as independent from programmatic staff.

PROCEDURES TO DETECT & PREVENT FRAUD, ABUSE, AND MISMANAGEMENT

The Department takes an aggressive stand on questions of Fraud, Abuse and Mismanagement. As outlined above, the Department will conduct on-site monitoring to insure that projected milestones are being accomplished and performance goals are being achieved in accordance with the approved application.

(a) All activities must be conducted in compliance with applicable CDBG laws and regulations as well as other applicable federal and state requirements including the OMB circulars A87, A-122 (where applicable), A-133 and the Uniform Administrative Requirements at 24 CFR Part 85.

(b) ECD shall provide technical assistance through a visit to the grantee immediately after awards are announced and shall make site visits as frequently as necessary to provide needed technical assistance.

(c) In addition to technical assistance, the Department will, at appropriate times during program activities, review Grantees' records on-site to ensure that all applicable state and federal requirements in over a dozen compliance areas (as applicable), including potential conflicts of interest, are compliant. This will include review of all drawdown and financial management procedures as well as all applicable federal cross-cutting compliance issues.

(d) While the Department's emphasis will be on preventing and correcting minor problems before they develop into major problems, the Department reserves the right to issue sanctions for non-compliance, fraud, abuse and mismanagement in a range of penalties including disallowance of all ineligible costs. Additional penalties and sanctions may include referrals for criminal prosecution to appropriate federal or state authorities.

(e) The Tennessee Subrecipient Monitoring Manual will be used as a standard for the monitoring procedures and regulations used to monitor the subgrants. If a violation of CDBG laws and regulations or state laws and regulations is suspected or reported, an investigation by the CDBG Monitoring staff, the Department Internal Auditing staff and/or the State Comptroller's Office will occur. Any communication regarding fraud, waste and abuse is reported to the State Comptroller's Office. The Comptroller's Office Investigation Unit will be involved in a serious investigation, the State Attorney General's Office can be involved, and the Tennessee Bureau of

Investigation would be involved if a felony is suspected.

(f) The State, the Department and federal programs are audited by the State Comptroller's Office. The Department's Performance Audit is completed every three to four years, the Single Audit of federal programs is completed annually, and Risk-Based Audits are completed based on risk and the Department's annual risk assessment.

CAPACITY

The State has administered CDBG funds for more than 25 years and has been responsible for administering CDBG-DR funds for the 2008 and 2010 Disasters that total over \$120 million without monitoring findings by HUD. The State continues to work toward improving the spending rate of both the regular round funds and the disaster funds and those spend rates have increased in the last year. The State will hire an additional staff person who will assist with administering disaster funds. ECD has the capacity and experience to administer these funds.

ECD will conduct Technical Assistance visits with each grantee to ensure their capacity. All of the communities eligible for funding have had experience with the CDBG program in the past. ECD maintains similar requirements for the CDBG-DR funds as for the CDBG Regular Round funds whenever possible in order to make compliance as straightforward as possible. Additional Technical Assistance in the form of trainings, TA visits, etc. will be coordinated as needed with the subrecipients.

DESCRIPTION OF MOD

Tennessee CDBG Disaster Recovery funds will be awarded in multiple rounds of competition. ECD is requesting that approval of this Action Plan allow for the spending of \$5 million. This first allocation will allow for the submission and review of applications for the funding set aside for Shelby County. Applications will be accepted 45 - 60 days after the appropriate documents are signed by HUD and ECD. Awards will be announced and contracts issued 30 days later. These projects will be required to be completed within two years of the signed agreement between ECD and HUD.

During this time, pre-applications for the additional funding will be accepted and reviewed by ECD. When the pre-applications have been reviewed, ECD will submit a substantial amendment to this Plan that will outline the needs of the communities whose pre-applications will be approved and a work plan for the use of the remaining funds. After approval of the amendment, applications will be accepted that follow all of the HUD and ECD guidelines. The pre-application and Action Plan amendment process will ensure that communities do not complete applications that are unlikely to be funded. This will ensure ECD only reviews highly qualified full applications and will ensure that the projects can be completed within two years of the signed agreement between ECD and HUD. The CDBG application process can be extremely time-consuming for ECD and the communities and

because of the time constraints on this funding, ECD determined that pre-applications would serve the needs of all parties.

Applications for all rounds of funding will be reviewed using the competitive criteria outlined below and awarded to eligible units of local government. Awards will be announced by the Governor or his designee. The State does not plan to administer any of the programs, but the State will monitor the projects.

At this time the State does not have specific plans for how the grant resources will be allocated among all of the funding categories. It is expected that the funds to local governments will impact housing, public infrastructure and economic development needs with the vast majority of the funds being used for public infrastructure projects. The application process for the funds will give priority to those communities that show the most need for the funding according to a point system. The State does not intend to carry out any activities directly at this time but reserves the right to do so according to the appropriate waiver in the Notices.

BASIS FOR ALLOCATION

During the public comment period, ECD notified representatives from the local governments affected by the disasters of the Plan. Some of the communities submitted information on the unmet needs in their communities. All of the needs submitted, as outlined in Appendix A, were for infrastructure projects.

According to the needs assessment collected by the Shelby County Department of Housing, infrastructure will be the main focus of the funds set aside for use in Shelby County as well.

Based on the lack of comments from the Public Housing Authorities that were notified of the publication of the draft Action Plan, no funds will be set aside for public housing authorities. Each application from eligible communities will have to certify that any public housing authority in their community was consulted during the application process to ensure there were no unmet needs.

UNMET NEEDS

ECD will focus the first round of funding on projects in Shelby County. \$5 million of the approximately \$9.5 million set-aside for Shelby County will be allocated in the first round. During this time, pre-applications for the remaining funds will be accepted. Because the State's funding for projects outside of Shelby County is limited to approximately \$4.2 million, the State does not plan to have funding remaining after the first pre-application round. An amendment to this Plan will outline how the funding will be spent by communities in the 68 eligible counties outside of Shelby County as well as how the remaining funds for Shelby County will be spent and will be submitted within six months. This amendment will address the unmet needs identified in Appendix A and throughout this

Plan that will not be addressed in the first round of funding that is targeted to the Shelby County set-aside.

PROGRAM ACTIVITIES

Eligible Applicants: Eligible applicants are units of general local government located in the 2011-2012 federally designated disaster counties listed previously in this Action Plan, including those counties and cities in designated counties eligible to also participate in the urban counties or metropolitan cities "CDBG Entitlement Program" of HUD.

Proposed Timeline: Depending on approval of the Action Plan, it is anticipated that applications for the first allocation will be due in April, 2014. Announcements of Grant Awards will occur in May, 2014 and projects will begin in June, 2014. Projects will be required to be completed within two years of the grant award to the State.

Projected Uses of Funds: The Department will be unable to supply the exact activities that local governments will undertake with these supplemental disaster funds until after this plan is approved, applications solicited, and projects funded. The Department believes most will conform to the eligible activities listed below. Funds will be administered by the units of local government in the 69 counties identified in this Action Plan, and the State will oversee the projects and provide monitoring for each project. The Department makes the following estimates of the breakdown of funding:

Total Allocation	\$13,810,000
Total Eligible Recovery Activities	\$13,119,500
Administration by the State	\$690,500
Shelby County Allocation	\$9,555,200
Remainder Allocation Available for other Declared Communities	\$4,254,800
First Allocation to be focused on Shelby County and pre-applications for remaining funds	\$5,000,000
Second allocation based on pre-applications	\$8,810,000

State program administration requirements are modified for this program to be consistent with the Disaster Relief Appropriations Act which allows up to 5 percent of the grant to be used for administrative costs, whether by the state, by entities designated by the state, by units of local government, or by sub-recipients. Pursuant to the Notice, the provisions at 42 U.S.C. 5306(d) and 24 CFR 570.489(a)(1)(i) and (iii) will not apply to the extent that they cap overall state administration expenditures and require a dollar-for-dollar match of state funds for administrative costs.

The State reserves 5% of the allocation for its administrative costs and will pass through the balance of any remaining allowable administrative allocations for recipients' use. Recipients may use a portion of the grant for local administrative costs consistent with ECD's approval.

Requirement to Meet a National Objective and Result in Long-term Recovery: All individual projects and combinations of activities will meet one of the CDBG National Objectives which include i) benefit to Low and Moderate-Income (LMI) persons; ii) alleviation of slums or blight; and iii) alleviation of Urgent Needs.

For activities authorized pursuant to the LMI national objective, ECD will take advantage of the Notices' waiver to allow 50% of funding to benefit low- and moderate-income people.

For activities authorized pursuant to the Urgent Need national objective, ECD will take advantage of the Notices' waiver to allow the State to expend 50% on such activities. If the Urgent Need national objective is proposed, applicants must describe the type, scale, and location of the disaster-related impacts that the proposed activity is addressing in the Project Need section of the application.

In the subrecipient applications, each applicant will certify that they meet eligibility requirements and will report on how the proposed activity directly relates to a specific impacts of the disaster(s) and will result in long-term recovery.

Eligible Activities: The Disaster Relief Appropriations Act directs that grantees use CDBG Disaster funds for specific CDBG activities related to disaster relief, long-term recovery, and the restoration of infrastructure, housing and economic revitalization for eligible disasters declared by the President during 2011-2012. This Action Plan will allow the CDBG activities outlined below, which are eligible CDBG activities consistent with the Act's requirements, to address long-term recovery needs and the restoration of infrastructure and housing and economic revitalization for eligible disasters jurisdictions.

Due to the nature of the disasters that occurred and the time that has elapsed since the disasters, more than 75% of the funds are expected to go to public infrastructure projects. Approximately 15% will go to economic development projects and 10% to housing projects.

Eligible activities include all CDBG eligible activities plus the new construction activity authorized pursuant to the HUD Notices. Eligible activities that the Department recommends be considered include, but are not limited to, the following activities:

(a) the acquisition, construction, reconstruction, or installation of public works, facilities and site or other improvements as authorized pursuant to 42 USC 5305(a)(2);

(b) the provision of assistance to private, for-profit entities (including small businesses and micro-enterprises), when the assistance is appropriate to carry out an economic development project aimed at long-term recovery (that shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods) that: (i) creates or retains jobs for low- and moderate-income persons; (ii) prevents or eliminates slums and blight; (iii) meets urgent needs; (iv) creates or retains businesses owned by community residents; and (v) assists businesses that provide goods or services needed by, and affordable to, low- and moderate-income residents as authorized pursuant to 42 USC 5305(a)(17) and 42 USC 5305(a)(22)(A).

(c) clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements including the reconstruction or rehabilitation of public or privately owned residential properties consistent with the HUD waivers encouraging a focus on affordable rental housing [as authorized pursuant to 42 USC 5305(a)(4)] ;

(d) the provision of direct assistance to facilitate and expand homeownership among persons of low and moderate income as authorized pursuant to 42 USC 5305(a)(24)(D) and taking full advantage of the HUD “housing eligibility” waivers in the May 29 Notice;

(e) the provision of assistance including loans and grants for activities which are carried out by public or private nonprofit entities, including: (i) acquisition of real property; (ii) acquisition, construction, reconstruction, rehabilitation, or installation of public facilities (except for buildings for the general conduct of government); (iii) site improvements and utilities; and (iv) commercial or industrial buildings or structures; and (v) other commercial or industrial real property improvements as authorized pursuant to 42 USC 5305(a)(14); and

(f) items listed below as an ineligible activity that have been determined based on review of applicant information and observations made during a needs assessment that have been determined to be compliant with existing HUD regulations including (i) equipment specifically used for fire protection which is considered to be an integral part of a public facility and thus, purchase of such equipment may be eligible under 570.201(c); (ii) equipment that constitutes all or part of a public services; (iii) equipment that is attached to a structure and becomes an integral fixture.

(g) as a matching requirement share, or contribution for any other Federal program when used to carry out an eligible CDBG-DR activity including programs or activities by the Federal Emergency Management Agency or the U.S. Army Corps of

Engineers (according to the March 5 and May 29 Notices)

Examples of Ineligible Activities: The items listed below are generally considered ineligible. However, these items could be eligible if determined by the State or HUD to meet the requirements listed above. During the application or pre-application process applicants must show a direct connection between damage during the storm(s) and the need for these activities/equipment as well as the connection to the Notices referenced above. It is unlikely that these activities would be funded based on the amount of funding available and the impacts of the disaster in many of the 69 counties affected by the storms:

- Construction of safe rooms for public and private structures
- Construction of storm shelters above or below ground
- Purchase of emergency equipment such as boats and four-wheel drive vehicles
- Purchase of emergency vehicles including ambulances, fire trucks, etc.
- Purchase of communication systems not dependent on towers or communication towers
- Purchase of alert sirens
- Purchase of battery operated weather alert radios for schools, public buildings, etc.

Activities that are ineligible include assistance to businesses that do not meet the definition of a small-business as defined by 13 CFR Part 121, assistance for second homes or any other activities that are forbidden by the Notices referenced in this Action Plan.

The “duplication of benefits” with CDBG Disaster funds is prohibited. In general, 42 U.S.C. 5155 (section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act, as amended) 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 has received financial assistance under any other program or from insurance or any other source. Therefore, please note that the Department stipulates that funds may not be used for activities reimbursable by or for which funds have been made available by the Army Corps of Engineers, Federal Emergency Management Agency (FEMA) or the Small Business Administration (SBA).

Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) prohibits flood disaster assistance to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received federal flood disaster assistance that was conditional on the person first having obtained flood insurance under applicable federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable federal law on such property. (Section 582 is self-implementing without regulations.)

Grant Amounts: Grant amounts will vary for a single local government up to \$250,000. Units of local government in Shelby County can apply for up to \$1,000,000; any request over that amount must be approved by the State prior to submission of their application.

Performance Outcomes: ECD will not know the exact performance outcomes until the subgrants have been awarded, but most of the projects are expected to be focused on the

outcome/measure of creating a sustainable living environment. ECD will measure leveraged funds, number of beneficiaries, number of LMI beneficiaries, number of persons with new or improved access to infrastructure, number of housing units developed or rehabilitated, number of jobs created or retained, and how the projects affect long-term disaster recovery and better prepare communities for disasters in the future.

CRITERIA TO DETERMINE MOD

Important Criteria:

Only grant applications from eligible applicants submitted by the deadline(s) will be reviewed.

Applications may be submitted individually by one unit of general local government, or jointly, by two or more units of general purpose local government. Joint submissions must contain a copy of the Cooperating Agreement entered into by the cooperating units of government. The agreement should designate the unit of local government that will serve as the lead applicant.

Applications for the CDBG Disaster Recovery funds must be submitted in conformance with the format and applicable instructions specified by ECD. To the extent possible, forms and documentation from the regular annual CDBG competition will be utilized in the CDBG Disaster competition with adjustments made in accordance with the special provisions of CDBG Disaster funding. ECD reserves the right to deny CDBG Disaster applications based on slow performance, unresolved findings, outstanding sanctions, or other reasons that could affect an applicant's ability to successfully complete the implementation of a CDBG Disaster project.

Separate application rounds will be held for the Shelby County allocation and the allocation remaining for other communities. ECD requests that the first allocation of \$5 million be approved with this Action Plan for projects in Shelby County and the acceptance of pre-applications for the other eligible communities. Pre-applications will ask for information on the effects of the disaster, the unmet needs of the community and other project justification as well as information on per capita income, unemployment rates, etc. When the pre-applications have been reviewed and are ready for approval, ECD will submit an amendment to this Action Plan and request full applications from the approved communities.

Any proposed mitigation measures must document that they are a necessary expense related to the disaster relief, long-term recovery, and restoration of infrastructure, housing, or economic revitalization.

Local Citizens Participation

- (a) The Housing and Community Development Act emphasizes efforts to involve citizens, especially low- and moderate-income citizens, in all aspects of the CDBG Program.

(b) Applicants for and recipients of CDBG Disaster Recovery funds must certify that they will follow this plan which requires that units of local government provide for and encourage participation in the planning, implementation and assessment of their CDBG Disaster Recovery program.

(c) Applicants for CDBG Disaster Recovery funding will follow all required citizen participation requirements as outlined in the CDBG Manual and Application Important Notices which can both be found on the ECD CDBG website.

Ranking of Applications:

The ranking process described will be followed for the Shelby County portion of the award as well as the portion for the remaining eligible counties.

Applications will be rated separately to assign points for feasibility, impact and need. Demographic scores will be calculated separately for cities and counties. Applications will be rated and scored against each of the following factors, using any additional and/or supplemental information, data, analyses, documentation, commitments, assurances, etc. as may be required or requested by ECD for purposes of evaluating, rating, and selecting applicants under this program.

The maximum score is 200 points as follows:

Criteria	Maximum Points
County unemployment rate	25
2011 Per Capita Income	25
Project Need based on the Disaster	100
Project Feasibility	25
Project Impact	25
Maximum Total Points	200

Scores for each set of criteria will be calculated as follows:

County Unemployment Rate – Unemployment rates from the Tennessee Department of Labor and Workforce Development for 2011 will be used. Points will be assigned based on a distribution of the applicants’ unemployment rates.

2011 Per Capita Income – Per capita income figures from the Department of Housing and Urban Development from 2011 will be used. Points will be assigned based on a distribution of the applicants’ per capita incomes.

Project Need – The degree to which there is a need for the project. The application can substantiate the nature and magnitude of the problem, how it relates to the disaster(s), and the economic and overall community impact of the disaster(s), specifically on the problem addressed by the proposed project. Areas most affected by the disaster(s) will receive additional consideration in this category of scoring.

Project Feasibility -- Applicants will be compared in terms of project feasibility.

The following factors are considered via an analysis of these items:

- (a) verification and reasonableness of cost – Engineering and technical information supporting the feasibility of the project, the need for the project and the cost of the project is required.
- (b) documentation that all project financing sources needed for the project will be available – Applicants must show the community investment into the project and that the funds are available at the time of application.
- (c) where applicable, documentation that preliminary engineering, architectural and or site plans have been prepared and support the proposed project - These plans show the extent of the damage caused by the disaster, the need for the project and how the project will affect the community and prevent similar effects in the case of another disaster.
- (d) verification that any required property is available for the project
- (e) where applicable, review of any proposed sub-recipient’s credentials to provide evidence of administrative capacity to undertake an approved activity
- (f) compliance with applicable state and federal laws
- (g) reasonable project timetables that conform to the expenditure requirements.

Project Impact -- Applicants will be compared in terms of project impact. These factors are calculated by the Department so that they are able to be compared across the various proposals and applicants. The following factors will be considered:

- (a) the cost per persons benefiting
- (b) the cost per LMI persons benefiting

Final Ranking and Grant Selection -- The points received by each applicant on the rating factors will be totaled and the total scores ranked accordingly. Grant awards will be based on this final ranking to the extent funds are available. In case of ties, the applicant with the highest percentage of funds benefiting low- and moderate-income persons will be given priority.

SUBSTANTIAL AMENDMENTS TO THIS ACTION PLAN

Any one of the actions listed below shall constitute a “substantial amendment” to this Action Plan: the addition or deletion of any activity described in Eligible Activities or Ineligible Activities sections of this Action Plan (including program income); a change in the location or beneficiaries as described in this Action Plan; or, the implementation of any HUD authorized “waiver” of any major programmatic rules or regulations not already

addressed in this Action Plan; and any other action that HUD or the Commissioner of ECD deems to be a significant amendment that needs public input prior to enacting.

ECD plans to submit an amendment to this Action Plan within six months to allow for the allocation of the remaining funds based on the pre-applications received after the first allocation of funds.

PUBLIC COMMENTS

The Department supports citizens in the disaster areas to participate in the development of the State of Tennessee Supplemental Disaster Recovery Action Plan.

(a) Following the opportunity for citizens and local governments to comment on the draft Action Plan, the Action Plan will be updated and amended and then submitted to the US Department of Housing and Urban Development (HUD). The Action Plan will set forth the method of distribution of funds for the HUD-funded program. Members of the public, especially persons of low and moderate income, are invited to review the draft Action Plan prior to its submission during normal business hours of 8:00 a.m. to 4:30 p.m., Monday-Friday, at the Tennessee Department of Economic and Community Development, 312 Rosa Parks Avenue, 26th Floor, Nashville, Tennessee 37243. The draft Plan will also be available on the ECD website at <http://tn.gov/ecd/CDBG/#dr>. If translation services are needed, ECD can assist in providing them.

(b) Comments are invited at the following address: Brooxie.carlton@tn.gov

In accordance with the provisions spelled out above, the Department published the proposed Action Plan from August 22, 2013 through August 30, 2013 on the Tennessee Department of Economic and Community Development CDBG website and has included information on public comments and needs reported during the comment period. The approved Action Plan will also be placed on the ECD/CDBG website and will remain there throughout the course of the project.

CERTAIN AUTHORIZED WAIVERS FOR DISASTER UNDERTAKINGS

The following waivers were included in HUD's May 29, 2013 Notice and are highlighted here for consideration of the State and applicants as they consider potential projects. Other waivers from the Notices may be considered at a later date. ECD will consult with HUD before applying any additional waivers.

(a) Citizen Participation Waiver and Alternative Requirement – The State will apply the waiver that streamlined requirements do not mandate public hearings at a state, entitlement, or local government level, but do require providing a reasonable

opportunity (at least 7 days) for citizen comment and ongoing citizen access to information about the use of grant funds.

(b) Direct Grant Administration - Requirements at 42 U.S.C. 5306 are waived, to the extent necessary, to allow a State to directly carry out CDBG-DR activities eligible under this Notice, rather than distribute all funds to UGLGs.

(c) Consolidated Plan Waiver – The State will not immediately update its Consolidated Plan to reflect changes due to the 2011 – 2012 Disasters and the subsequent disaster funding until the next scheduled Consolidated Plan update after approval of this Action Plan.

(d) Requirement for Consultation during Plan Preparation – The State will consult with all disaster-affected UGLGs through the Action Plan comment period and application period in determining the use of funds.

(e) Overall Benefit Waiver – ECD will apply the overall benefit waiver and alternative requirement of ensuring that at least 50% of funds benefit low- and moderate-income persons. Up to 50% of the grant can be used to assist activities under the urgent need or prevention or elimination of slums or blight national objective.

(f) General Administration Responsibilities and General Administration Cap - The State reserves 5% of the allocation for its administrative costs and will pass through the balance of any remaining allowable administrative allocations for recipients' use. Recipients may use a portion of the grant for local administrative costs consistent with ECD's approval.

(g) Waiver for Distribution to CDBG Metropolitan Cities and Urban Counties – The State will apply this waiver to be able to distribute CDBG funds to entitlement communities covered by the disaster declarations.

(h) Buildings for the General Conduct of Government – The State will apply the waiver to allow grantees to fund the rehabilitation and reconstruction of public buildings that are otherwise ineligible.

(i) Use of CDBG as Match – Funds may be used as a matching requirement, share or contribution for any other federal program when used to carry out an eligible CDBG-DR activity.

STATE CERTIFICATIONS

- (1) The State certifies that it will affirmatively further fair housing, which means that it has or will conduct an analysis to identify impediments to fair housing choice within the state and take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard. (see 24 CFR 570.487(b)(2) and 570.601(a)(2)). In addition, the State certifies that agreements with subrecipients will meet all civil rights related requirements pursuant to 24 CFR 570.503(b)(5).
- (2) The State certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.
- (3) The State certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.
- (4) The State certifies that the Action Plan for Disaster Recovery is authorized under state law and that the state, and any entity or entities designated by the state, possess(es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this Notice.
- (5) The State certifies that activities to be administered with funds under this Notice are consistent with its Action Plan.
- (6) The State certifies that it will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for this grant.
- (7) The State certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- (8) The State certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.115, as applicable (except as provided for in notices providing waivers and alternative requirements for this grant). Also, each unit of general local government (UGLG) receiving assistance from a State grantee must follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).
- (9) The State certifies that it has consulted with affected units of local government in counties designated in covered major disaster declarations in the non-entitlement, entitlement, and tribal areas of the state in determining the method of distribution of funding, or activities carried out directly by the State.
- (10) The Sate certifies that it is complying with each of the following criteria:

(a) Funds will be used solely 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 for which the President declared a major disaster in the aftermath of major disasters declared in 2011-2012, pursuant to the Stafford Act.

(b) With respect to activities expected to be assisted with CDBG-DR funds, the Action Plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.

(c) The aggregate use of CDBG-DR funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 50 percent of the grant amount is expended for activities that benefit such persons.

(d) The State will not attempt to recover any capital costs of public improvements assisted with CDBG-DR grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless: (a) disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (a).

(11) The State certifies that it (and any subrecipient or recipient) will conduct and carry out the grant in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601–3619) and implementing regulations.

(12) The State certifies that it has adopted and will enforce the following policies and that it will require units of general local government that receive grant funds to certify that they have adopted and are enforcing:

(a) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations

(b) A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

(13) The State certifies that it and each state grant recipient or administering entity has the capacity to carry out disaster recovery activities in a timely manner; or the State or UGLG will develop a plan to increase the capacity where such capacity is lacking.

(14) The State certifies that it will not use grant funds for any activity in an area delineated as a special flood hazard area or equivalent in FEMA's most recent and current data source unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision is the latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

(15) The State certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

(16) The State certifies that it will comply with applicable laws.

(17) The grantee certifies that it has reviewed the requirements of this Notice and requirements of Public Law 113-2 applicable to funds allocated by this Notice, and that it has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, to ensure timely expenditure of funds, to maintain comprehensive websites regarding all disaster recovery activities assisted with these funds, and to detect and prevent waste, fraud, and abuse of funds.

Signature: _____

Authorized Official: _____

Date: _____

STATE OF TENNESSEE
ACTION PLAN FOR CDBG SUPPLEMENTAL
DISASTER RECOVERY FUNDS
Appendix A

The Proposed Action Plan was placed on the Tennessee Department of Economic and Community Development CDBG website (<http://tn.gov/ecd/CDBG/#dr>) from August 22-30, 2013 for public comment. Emails were sent to all of the mayors in the affected communities, to all of the Public Housing Authorities in the affected communities and to all of the grant administrators that typically work with CDBG and CDBG-DR projects requesting their review of the Action Plan. ECD also requested information on the unmet needs in the communities affected.

A comment from a grant administrator requesting that pre-applications be accepted for the allocation of funds outside of Shelby County was received. ECD discussed this suggestion with the HUD Knoxville Field Office who discussed it with HUD Headquarters. The Plan was revised to reflect that pre-applications would be accepted.

This was the only public comment.

Many communities responded with information on their unmet needs or questions about eligible activities. Those communities and their questions and/or needs are summarized below.

- Shelby County – additional information was provided on projects that was collected during and after the public meeting held by the Department of Housing in June, 2013. Needs included Big Creek Watershed Analysis to reduce flooding, repair drainage problems caused by storm at Millington Fire Training Station, and reconstruction of the Raleigh-Millington Road bridge
- Hamilton County – questions about eligible activities. ECD responded with the list of eligible activities.
- Henderson County – information on damage including damage to roads, school buildings, county buildings and park and recreation facilities.
- Morgan County – questions about eligible activities and where in the county the funds could be spent. ED responded with information on eligible activities and that the funding would be spent on areas that were affected by the storms in 2011.

- Johnson County – information on damage as a result of the tornado in the county and need for an Emergency Operations Center.
- Shelby County – question from an engineer working with an eligible community in Shelby County about equipment purchases as an eligible expense. ECD responded that equipment could be an eligible expense if it was directly connected to the disaster.
- Bartlett – question about eligible activities. ECD responded with information on eligibility of equipment and other activities.
- Milan Public Housing Authority – information on expenses after the storm including clean-up. ECD responded that those expenses would not be eligible.
- Dyersburg Housing Authority – information that they did not have unmet needs from the storms.
- Dyer County – information on damage to the water system.
- Gilt Edge – information on need for a shelter in the community due to the storms.
- Adamsville – information on the need for sirens in the community.
- Sweetwater – information on funds spent after the tornado in Monroe County on clean-up. ECD responded that these expenses were not eligible for reimbursement. Stated that they did not have any current unmet needs.
- Somerville – information on needs of their sewer system
- Hardin County – called with questions on eligible activities. ECD responded with information on the eligible activities.
- Savannah – information on drainage improvements that are needed.
- Westmoreland – questions about housing application that was not funded with 2008 funds and if the project would be eligible with 2011 funds. ECD responded that 2011 funds could be used for housing projects if it could be shown that the need was related to the 2011 disasters.
- Shelby County – question from an administrator who works with communities in Shelby County about their eligibility. ECD responded that all of the local governments in Shelby County would be eligible for funding.

- Administrators – questions from two administrators that work with several eligible communities about eligible activities. ECD responded to both with information on the eligible activities and other requirements for funding.
- Millington – information on infrastructure improvements and equipment needed based on the damage from the storms.
- TEMA – The Tennessee Emergency Management Agency provided a list of communities affected by the disasters and the funding that has been approved by FEMA for each of the counties in the development of this Action Plan. During the public comment period, they also sent a list of approved – in progress and completed – projects as well as projects that were denied due to lack of funding. Several proposed storm shelter projects and a bridge project were not able to be completed.