



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-7000

Allocation of CDBG-DR funds for 2023/2024 Disasters

This document describes the allocation for the **State of Alaska** under Public Law No: 118-158 on 12/21/2024 (The Disaster Relief Supplemental Appropriations Act) for Community Development Block Grant Disaster Recovery funds (CDBG-DR). The funds are specified to be used for:

“disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the “most impacted and distressed” (MID) areas resulting from a qualifying major disaster that occurred in 2023 or 2024”

The basic formula for allocating these funds is to calculate for each disaster meeting a minimum “most impacted and distressed” damage threshold a formula that uses an estimate of unmet needs for housing, economic revitalization, and infrastructure plus 15 percent more for mitigation. The unmet needs and mitigation are slightly greater than the amount to be allocated, so the amount allocated reflects the unmet needs and mitigation less a 1.2488 percent pro-rata reduction.

Section 1 shows the allocation as per the AAN (90 FR 4759) published on 16 Jan 2025.

Table1. CDBG-DR Allocations for CY 2023/2024 Most Impacted and Distressed Qualifying Disasters

State	Grantee	Disaster	Allocation Award
Alaska	State of Alaska	4730; 4836	\$18,676,000

Section 2 provides detailed information of the component parts of data used to determine the formula allocation.

Table 2. Components of Unmet Need for the **State of Alaska** by disaster.

Disaster Number	Disaster Description	Homes with Serious Unmet Housing Needs	Housing Serious Unmet Needs	Business Serious Unmet Needs	Infrastructure Unmet Needs	Total HUD Formula Unmet Needs
4730	Flood	91	\$5,847,133	\$584,713	\$3,961,124	\$10,392,969
4836	Flood	110	\$5,042,990	\$504,299	\$504,299	\$6,051,588
Total		201	\$10,890,123	\$1,089,012	\$4,465,423	\$16,444,557

Table 3. Components of Unmet Housing Need for the **State of Alaska**.

Grantee	Disaster Number	Homes with Serious Unmet Housing Needs	Percentage of State	Unmet Housing Need	Total Unmet Need	Mitigation (15%)	Disaster Total (Need + MIT)
State of AK	4730; 4836	201	100%	\$10,890,123	\$16,445,000	\$2,467,000	\$18,912,000

Total HUD Formula Unmet Needs + 15 % Mitigation – pro-rata reduction = **\$18,676,000**



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The HUD “unmet needs” formula has three key components:

1. Serious unmet housing needs in most impacted areas. Two data sources inform this calculation, FEMA Individual Assistance registrants with a FEMA inspection as well as applicants for SBA Disaster Recovery Home Loans. The FEMA data generally capture the universe of homeowners who are uninsured for a disaster. They also capture the renters who are very low-income (or below poverty) and whose units experienced damage. While we do not know the extent landlords have insurance, we assume that rental units occupied by very low-income tenants and seriously damaged will not be affordable if they are repaired or replaced, thus creating a need for creating affordable rental units.

FEMA’s inspections give a general sense of how serious a home is damaged but usually not the likely cost to repair to code. SBA data inform us both how much homes of different levels of damage for a specific disaster are generally requiring for repair to code and how many households are addressing their need with SBA assistance.

HUD calculates total housing unmet needs at the county and zip code level. The formula only allocates housing resources for counties with \$10 million or more in unmet needs. For areas outside of these “most impacted counties”, zip codes with \$2 million or more in damage are included as “most impacted zips”. Combined, these are described as most impacted areas.

2. Serious unmet business needs. Unmet business needs are calculated based on the applications denied for SBA Disaster Loans and estimated cost to repair/replace both the structure and contents of the properties seriously damaged.

Because many of the larger disasters of 2023 and 2024 occurred recently and business need data remain incomplete for many disasters, no disaster in 2023 or 2024 receives for business unmet need less than 10 percent of their unmet housing need.

3. Unmet infrastructure need. Unmet infrastructure needs are calculated as the FEMA estimated local cost share for its Public Assistance permanent construction categories – Categories C to G.

Because many of the larger disasters of 2023 and 2024 occurred recently and infrastructure need data remain incomplete for many disasters, no disaster in 2023 or 2024 receives for infrastructure unmet need of less than 10 percent of their unmet housing need.



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APPENDIX 1. STATUTE

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for “Community Development Fund”, \$12,039,000,000, to remain available until expended, for the same purposes and under the same terms and conditions as funds appropriated under such heading in title VIII of the Disaster Relief Supplemental Appropriations Act, 2022 (Public Law 117–43), except that such amounts shall be for major disasters that occurred in 2023 or 2024 and the fourth, tenth, 15th, 16th, 20th, and 21st provisos under such heading in such Act shall not apply: Provided, That the Secretary of Housing and Urban Development shall allocate all funds provided under this heading in this Act for the total estimate for unmet needs including additional mitigation for qualifying disasters and publish such allocations in the Federal Register no later than January 15, 2025: Provided further, That the amount obligated for each qualifying disaster area shall be no less than the amounts specified in such Federal Register publication, unless such allocation is rejected by the grantee: Provided further, That a grantee shall submit a plan to the Secretary for approval detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed areas: Provided further, That unobligated balances remaining as of the date of enactment of this Act included under Treasury Appropriation Fund Symbol 86 X 0162 from Public Laws 108–324, 109–148, 109–234, 110–252, 110–329, 111–212, 112–55, and 113–2 shall also be available for the purposes authorized under this heading in this Act (except that the amount for each setaside provided herein shall not be exceeded), notwithstanding the purposes for which such amounts were appropriated: Provided further, That of the amounts made available under this heading in this Act, \$45,000,000 shall be transferred to “Department of Housing and Urban Development—Management and Administration—Program Offices” for salaries and expenses of the Office of Community Planning and Development for necessary costs, including information technology costs, of administering and overseeing the obligation and expenditure of amounts made available for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed areas resulting from a major disaster in this, prior, or future Acts (“this, prior, or future disaster Acts”): Provided further, That of the amounts made available under this heading in this Act, \$1,850,000 shall be transferred to “Department of Housing and Urban Development—Information Technology Fund” for the disaster recovery data portal: Provided further, That of the amounts made available under this heading in this Act, \$7,000,000 shall be transferred to “Department of Housing and Urban Development—Office of Inspector General” for necessary costs of overseeing and auditing amounts made available in this, prior, or future disaster Acts: Provided further, That of the amounts made available under this heading in this Act, \$25,000,000 shall be made available for capacity building and technical assistance, including assistance on contracting and procurement processes, to support recipients of allocations from this, prior, or future disaster Acts: Provided further, That amounts made available



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under this heading in this Act may be used by a grantee to assist utilities as part of a disaster-related eligible activity under section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)): Provided further, That recipients of funds made available in this, prior, or future disaster Acts that use such funds to supplement other Federal assistance may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval or permit, so long as the actions covered by the existing environmental review, approval, or permit and the actions proposed for these supplemental funds are substantially the same: Provided further, That the Secretary or a State may, upon receipt of a request for release of funds and certification, immediately approve the release of funds for any activity or project if the recipient has adopted an environmental review, approval or permit under the previous proviso or if the activity or project is categorically excluded from review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), notwithstanding section 104(g)(2) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(g)(2)): Provided further, That such amount and amounts repurposed under this heading that were previously designated by the Congress as an emergency requirement pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985 are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.