



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

OFFICE OF THE ASSISTANT SECRETARY FOR  
COMMUNITY PLANNING AND DEVELOPMENT

Ms. Jennifer Ferrell,  
Director, Community Advancement  
and Development Office  
State of West Virginia  
1900 Kanawha Boulevard East  
Building 3, Suite 700  
Charleston, WV 25305

Dear Ms. Ferrell:

I am pleased to inform you that the Department is approving the State of West Virginia's Action Plan substantial Amendment (APA#5) for Community Development Block Grant Disaster Recovery (CDBG-DR) funds appropriated under Public Laws 114-223, 114-254, and 115-31. The State received a total of \$149,875,000 for long-term disaster recovery efforts from catastrophic flooding that occurred in 2016. The State submitted its initial APA#5 on March 2, 2020, after completing a 14-day public comment period.

With this substantial amendment, the State requested the following five (5) changes: (1) documentation of previously allocated funds being reprogrammed at this time from the WV Rental Assistance Program to the WV Housing Restoration Program (more below), (2) acknowledgement that the CDBG-DR funds can be used as match funding for FEMA Hazard Mitigation Grant Program approved projects, (3) language affirming that the State will provide owners in the West Virginia Housing Restoration Program a 1-year flood insurance premium, (4) changes in the Bridge Home Program mandating at least 50 percent of the properties that the bridge provides access to must be low-and-moderate income households instead of 51 percent, and (5) proposes to change its substantial amendment threshold from \$1 million to \$5 million.

**Reallocation of Funds from West Virginia Rental Assistance Program and Coordinated Match Program to West Virginia Housing Restoration Program**

This reallocation will redirect funds from the West Virginia Rental Assistance Program and West Virginia Coordinated Match Program, active programs, and reallocate funding to the West Virginia Housing Restoration Program. The \$990,000 from the Coordinated Match Program to the Housing Restoration Program was previously approved in Technical Amendment 4. The reduction in the rental program is due to the number of applicants and projects decreasing to 37. Most of the program landlords have already recovered their rental properties at this time. The additional funding to the housing program is due to the multiple contracts required under state procurement laws and increase of project costs.

**Table 1:**

<b>Approved West Virginia Action Plan Program</b>	<b>Activity Previous Allocation</b>	<b>Amount of Transfer</b>	<b>Activity Revised Allocation</b>
West Virginia Housing Restoration Program	\$71,899,250	\$10,490,000	\$82,389,250
West Virginia Rental Assistance Program	\$16,000,000	-\$9,500,000	\$6,500,000
West Virginia Coordinated Match Program	\$12,440,000	-\$990,000	\$11,450,000

### **Increasing the State's Substantial Amendment Threshold**

Set forth under 78 FR 14329 (March 5, 2019) The Department established criteria requiring a substantial amendment be made to disaster recovery actions plans when an allocation or reallocation of more than \$1 million is made. The Department increased grantee flexibility when amending an action plan, allowing grantees to establish their own thresholds. Pursuant to the notice, the State plans to increase their substantial amendment threshold from \$1 million to \$5 million.

The Department remains committed to assisting the State of West Virginia in its efforts to recover from the devastating flooding that occurred in 2016 and looks forward to working with you and your staff to address the State's long-term recovery needs. If you or any members of your staff have any questions, please contact Rawleigh Greenhalgh, CPD Specialist, Disaster Recovery and Special Issues Division, Office of Block Grant Assistance, at (304) 347-7044.

Sincerely,

John Gibbs,  
Assistant Secretary (Acting)  
for Community Planning and Development