

**All sub-county areas must demonstrate at least one criteria for each of the three thresholds.**

Criteria:

- 1) Most Impacted
- 2) Most Distressed
- 3) Unmet Recovery Needs

### **Most Impacted Threshold**

Data used for the Most Impacted Threshold must be damage that occurred as a result of the disaster. This damage does not need to reflect an unmet need and can already be “fixed.”

In order to demonstrate the Most Impacted threshold, each sub-county area must demonstrate at least one of the following criteria:

- 1) Housing – Housing damage in a sub-county area that caused damage to a minimum of 100 homes or serious damage to a minimum of 20 homes. *HUD has already provided a list of sub-county areas that meet this requirement.*
- 2) Infrastructure – Damage to permanent infrastructure in a sub-county area estimated at \$2 million or greater. This must be substantiated with an engineering report with an estimated repair amount along with a sources and uses statement demonstrating either a funding short fall or evidence of expenditures to make repairs.
- 3) Economic Revitalization – A disaster causing significant employment loss and extended harm to the local economy. This can be demonstrated by a 1% increase in unemployment in an impacted area 6 to 12 months after disaster compared to the same months a year prior to the disaster, or demonstration that 50 or more people were no longer employed in or near the most impacted area for six months or longer due to the disaster.
- 4) Environmental Degradation – A disaster resulting in specific degradation to the environment, such as fire creating a flood risk, etc. This can be documented by providing studies.

### **Most Distressed Threshold**

In order to demonstrate the Most Distressed threshold, each sub-county area must demonstrate at least one of the following criteria:

- 1) Low & Moderate Housing - > 50% Low and moderate income households in an affected sub-county area. *This data is available from HUD.*
- 2) Affordable Rental Housing - Loss or shortage of affordable rental housing, indicated by a minimum of 100 renters with <50% of median income in a target area AND >60% have a severe housing problem (more than half of income for rent, no kitchen or plumbing based on 2007-11 ACS data). *This data is available from HUD.* Due to a disaster there is a high risk of damage to more than 100 assisted rental housing units from a future event. This can be demonstrated with a 1-2 paragraph description with supporting data.
- 3) Economically Fragile Area - Sub-county area is a tribal area, Promise Zone, or a Strong Cities Strong Communities Site. *This data is known.*
- 4) Employment - Sub-county area has an unemployment rate >125% of the national average. *No documentation as to how this should be computed, but data should be easily acquirable.*
- 5) Environmental Degradation-- Sub-county area contains a contaminated property that is clean, undergoing cleanup, or proposed for cleanup. *HUD points to state brownfields resources.*

## Unmet Recovery Needs

Data used for the Unmet Recovery Needs must be damage that occurred as a result of the disaster. This damage needs to reflect an unmet need and cannot already be “fixed.”

In order to demonstrate the Unmet Recovery Needs threshold, each sub-county area must demonstrate at least one of the following criteria:

- 1) Housing - Twenty or more households still damaged in or still displaced as a result of this disaster in each sub-county area. This can be demonstrated with an explanation of why CDBG-DR, FEMA, and SBA funds are insufficient to resolve the problem and a windshield survey of these households confirming damage is due to the disaster.
- 2) Infrastructure - Demonstrate a minimum of \$400,000 in unfunded permanent infrastructure repair needs in each sub-county area. This can be demonstrated with an engineering report and a sources and uses statement showing the funding shortfall. An explanation of why existing CDBG-DR resources are insufficient is also necessary. No more than \$250,000 in CDBG funds can be applied to any solution that involves a cost share with the Army Corps of Engineers.
- 3) Business Damage – 5 or more businesses in each sub-county area with remaining repair needs and a windshield survey and survey of business owners confirming this along with an explanation of why CDBG, CDBG-DR, and SBA funds were inadequate. Addresses of these businesses must be provided.
- 4) Business Revenue Loss - Documentation of a loss of business revenues of 10% or more prior to the disaster for one or more employers with 10 or more employees, or three or more smaller employers in each sub-county area. To demonstrate this, HUD requires that we provide the number of employees before the disaster and currently, the gross revenues in a year before the disaster and the gross revenues in the most recent year, and a description of how the reduction in revenues is related to the disaster. Names and addresses of these businesses must be provided.
- 5) Environmental Degradation – Demonstration of environmental degradation due to the disaster in each sub county areas. This is required to be accompanied by a certification indicating that remaining damage is \$400,000 or more.