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Disaster Housing After Hurricanes: From Reactive to Preemptive

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Executive Summary

- **System design problem:** The U.S. disaster housing architecture divides responsibilities, with the Federal Emergency Management Agency (FEMA) providing short-term assistance (e.g., temporary housing, basic repairs) under the Stafford Act. The U.S. Department of Housing and Urban Development (HUD) finances long-term rebuilding through Community Development Block Grant Disaster Recovery (CDBG-DR) appropriations. This split yields a slow, uneven, and inequitable housing recovery.
- **Distribution failures are the main bottleneck.** Documentation barriers such as proof of homeownership, language access issues, complex applications, shifting rules, and post-disaster notices can delay or deny aid, especially for Latino households.
- **FEMA: specific shortcomings.** (1) Ownership/occupancy proof historically blocked eligible survivors; FEMA now accepts alternative documentation, but implementation remains uneven. (2) Housing assistance caps lag local costs. (3) Direct Housing and repair solutions scale slowly. (4) Disability and language access needs are too often addressed late.
- **HUD: specific shortcomings.** CDBG-DR is not permanently authorized; HUD issues disaster-specific Federal Register notices, a “notice-by-notice” system that slows funds and creates inconsistency. Capacity limits at the grantee level and shifting waivers compound delays, with disproportionate effects on lower-income and Latino communities.
- **Equity and the Latino lens.** Latino homeowners are overrepresented in high hurricane-risk neighborhoods (20 percent vs. 13 percent nationally) and face higher losses.¹
- **Policy direction.** Permanently authorize CDBG-DR with a standard “**Universal Notice**,” codify ownership/occupancy flexibilities, raise or regionalize FEMA housing caps, unify application data sharing across FEMA, HUD, and the US Small Business Administration (SBA), and require equity guardrails (language access, disability accommodation).²

Note: The appendix with definitions is at the end of this document.

Background

As hurricane intensity has increased, homes in hurricane-prone regions have sustained damage or been destroyed. NOAA synthesis notes “projected increases in tropical cyclone rainfall rates” and “increases in the intensities of the strongest storms.”³ At the same time, policy groups like the Center for Climate and Energy Solutions (C2ES) similarly highlight heavier precipitation and higher storm surges, which directly destroy

homes.⁴ Families lose shelter and face long-term challenges in rebuilding or relocating. Such struggles lead families to seek housing assistance through federal programs.

Hence, these communities heavily rely on agencies such as the Federal Emergency Management Agency (FEMA) and the U.S. Department of Housing and Urban Development (HUD) for housing relief. Both agencies rely on providing a combination of short-term (FEMA) and long-term relief (HUD).

This policy brief focuses on how post-hurricane housing recovery requires coordinated action between FEMA and HUD, yet the current system often responds slowly and unevenly. This brief aims to identify key issues, trace the legislative context, and recommend actionable reforms that shift policy from a reactive to a proactive approach.

How the System Works Today (and Why It Stalls)

FEMA's role in providing housing is short-term. FEMA's Individuals and Households Program (IHP) can fund temporary housing, rental assistance, home repairs, and limited replacement after a presidential disaster declaration under the Stafford Act.⁵ FEMA also operates Direct Housing when rental housing is unavailable. *Direct Housing* is not subject to IHP's financial cap, but it is administratively complex and typically time-limited.

HUD's role in providing housing aid is long-term. HUD's Community Development Block Grant–Disaster Recovery (CDBG-DR) program supports repair, reconstruction, buyouts, and mitigation. But Congress must appropriate funds after each significant event, and HUD publishes tailored Federal Register notices with waivers/requirements for each allocation.⁶ However, such aid is not permanently authorized, and the CDBG-DR is to “differ in allocation, design, and implementation based on the statutory direction provided in the supplemental appropriations act.”⁷

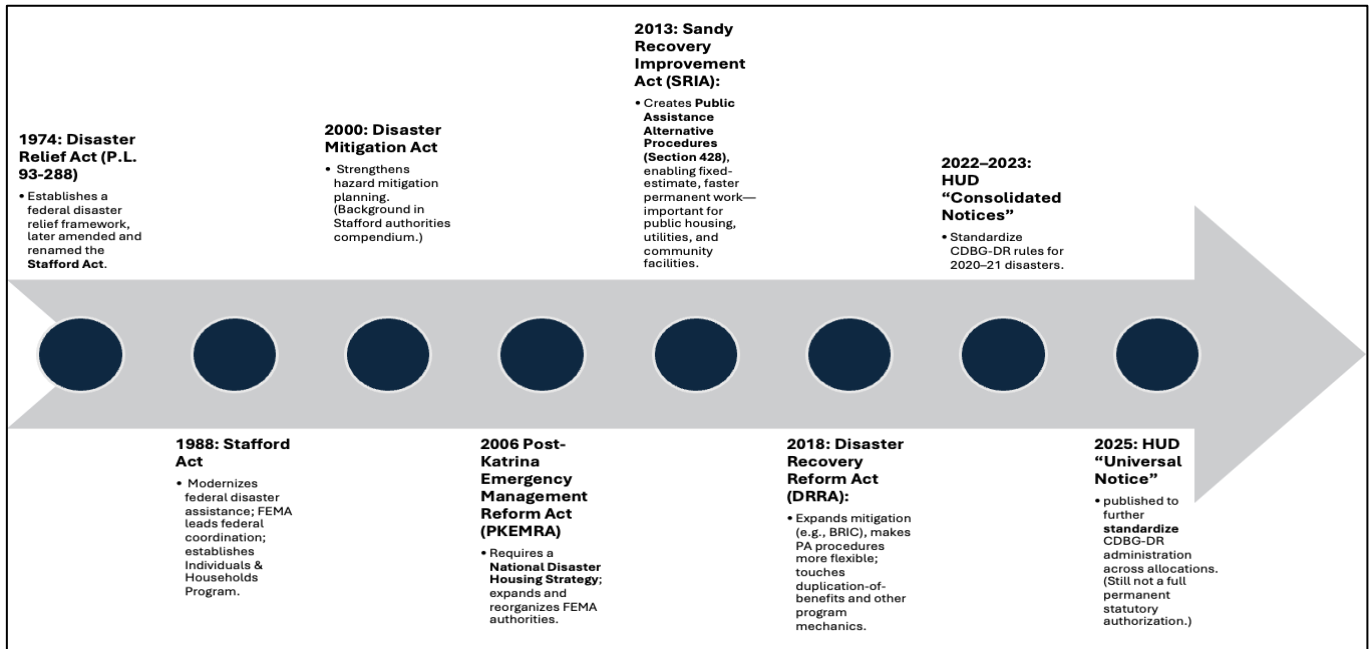
The handoff from FEMA (urgent) to HUD (long-term) is where households fall through the cracks. The problem is less about funding levels and more about what the distribution architecture can support, leading to documentation gaps, rule variability, and capacity bottlenecks that slow or block help.⁸

Why This Matters for Latino Communities

Latino households face greater exposure to hurricane hazards and, consequently, experience higher economic losses. The Urban Institute's 2025 analysis finds that “Latino homeowners are more likely to live in neighborhoods with high hurricane risk (20 percent)... than all U.S. homeowners (13 percent).”⁹ These hurricane-prone regions include the U.S. Atlantic Ocean and Gulf of Mexico coasts, Hawaii, Puerto Rico, Guam, the Virgin Islands, and American Samoa.¹⁰ Latinos also face language barriers and prolonged power/internet outages, exacerbated by documentation and application barriers.¹¹

In Puerto Rico, **civil law property norms** (heirs' property, informal construction), **language access**, and prolonged **power/internet outages** exacerbated documentation and application barriers. These factors, along with FEMA's ownership rules and HUD's slow-starting programs, increase access to assistance. For example, in the case of Puerto Rico, the U.S. Commission on Civil Rights (USCCR) documented “survivors and experts who testified that the lack of electricity and internet had significant impacts on their ability to access assistance and federal relief programs.”¹²

Legislative Timeline



Analysis

FEMA- Related issues that were identified

Several issues were identified in the distribution and verification of FEMA Housing aid for hurricane-affected individuals. For one, the documentation and eligibility requirements when applying for housing aid. Survivors without formal title or conventional utility bills, such as heirs’ property owners or informal construction, often fail verification. For example, during Hurricane Maria, a primary reason why 48,000 families were denied housing aid was due to how, in Puerto Rican law, “can be the legal owner of a property without having a formal title, presenting deeds, and so on.”¹³ However, FEMA did not account for the nuances of Puerto Rican law and rejected families who did not comply with its verification policies. FEMA has issued alternate documentation pathways, including self-declarations and certifications by local officials.¹⁴ However, households and caseworkers still struggle to navigate these options during power outages or without Spanish-language support.¹⁵

Another issue found was how even when IHP caps are adjusted annually, they do not account for accessibility-related repair or construction costs. “Financial assistance to rent alternative housing accommodations does not count towards the housing assistance cap and excluded from the housing assistance cap are accessibility-related repair or replacement costs.”¹⁶ This demonstrates much-needed updates to IHP caps and program coverage scope.

Finally, it has been shown how “FEMA provides temporary housing units directly to survivors when rental resources are unavailable.”¹⁷ However, there have been reports of how FEMA has provided Direct Housing options, specifically trailers, where “formaldehyde levels were higher than typical U.S. indoor levels.”¹⁸

HUD-related issues that were identified

Similarly, some issues were identified with the housing aid HUD provided to hurricane-affected individuals. The first thing noticed was how each CDBG-DR appropriation triggers new HUD notices, waivers, and alternative requirements, which slow grantees and reduce predictability.¹⁹ The 2025 Universal Notice is a helpful step, but it should be codified legislatively with enforceable timelines to ensure its effectiveness.

Also, the United States Government Accountability Office (GAO) and the HUD Office of Inspector General (OIG) identify staffing/monitoring shortfalls, as well as capacity gaps among grantees, which slow environmental review, procurement, and construction. Finally, while CDBG rules emphasize LMI benefit, disaster notices have sometimes waived or relaxed the 70% threshold.²⁰

Recommendations

1) Permanently authorize CDBG-DR (Congress).

Enact a permanent statutory CDBG-DR program that codifies HUD’s Universal Notice into regulation, sets statutory deadlines and implementation timelines, standardizes core waivers, and locks in equity guardrails (LMI floors, fair housing, language access, disability accommodation, public engagement in Spanish in Puerto Rico). CRS, GAO, and HUD OIG all identify timeliness and rule variability as key issues. According to a hearing on the House Committee on Financial Services, “A permanent program could help reduce delays that 'directly and disproportionately affect vulnerable populations.’”²¹

2) Codify flexible ownership/occupancy verification (FEMA regulation + statute).

Make alternative documentation (e.g., public official letters, sworn self-declarations, tax records, community affidavits) a default, not an exception—paired with navigator support and Spanish-language materials in high-Latino regions. FEMA has already taken an initial step on this issue, with its materials now listing alternative proofs; codifying them would eliminate local discretion that impedes access.²² However, it would also be essential to include tracking and public reporting of denials by reason (documentation, language, disability), disaggregated by geography.

3) Right-size FEMA housing benefits to local costs.

Index IHP repair/replacement caps to post-disaster local price indices (materials, labor, rents) and clarify when Direct Repair or Direct Lease must be offered. Establish pre-disaster master agreements with national and regional landlords/PHAs, and incorporate indoor air quality standards into any interim units.²³

4) One front door for survivors (FEMA–HUD–SBA).

Mandate a single intake with consented data sharing and status tracking; reduce duplicative documentation; and require multilingual access and offline modes (paper, SMS, and field kiosks) to counter the post-disaster digital divide. USCCR flagged this need explicitly. Experts recommended a more streamlined portal for the intake of all federal disaster assistance.²⁴

5) Pre-disaster programming.

Create pre-approved disaster housing playbooks: (i) pre-scoped repair standards, (ii) pre-cleared environmental review for common repair scopes, (iii) vendor pools for elevation/roofing/electrical, and (iv) rapid-repair pilots for owner-occupied homes that can be made habitable fast. Use BRIC and mitigation authorities to harden housing before landfall; require state/local pre-agreements for landlord incentives and lease-and-repair.²⁵

6) Equity guardrails with a Latino focus.

Require action plans and FEMA operational plans to identify high-risk Latino neighborhoods and tailor outreach (Spanish-language canvassing, community-based navigators). Back title-clearing and heirs' property resolution with set-aside funds. Urban Institute's data justify targeted strategies, stating how "Latino homeowners face disproportionate exposure to hazard risks [and] greater economic losses."²⁶

Conclusion

Hurricane housing recovery fails least due to insufficient appropriations and most due to the distribution of aid. The FEMA–HUD handoff, HUD's extra-statutory CDBG-DR structure, documentation burdens, and uneven language/disability access together produce long delays and inequitable outcomes, with Latino communities and Puerto Rico bearing disproportionate harm. The policy path forward is clear: permanent CDBG-DR authorization, codified ownership flexibilities, regionalized FEMA caps, a single survivor portal, and equity guardrails backed by capacity investments. These reforms shift U.S. policy from reacting to catastrophe to pre-positioned, pre-approved recovery—so families can return home faster, safer, and more fairly after the next storm.

Endnotes

¹ Linna Zhu et al., *Latino Homeowner Risk from Natural Disasters*, Urban Institute, 2025, <https://www.urban.org/research/publication/latino-homeowner-risk-natural-disasters>.

² Joseph Jaroscak, "CDBG-DR Process Standardization: Selected HUD Actions and Legislative Proposals," accessed December 22, 2025, <https://www.congress.gov/crs-product/IN12191>.

³ Tom Knutson, "Global Warming and Hurricanes," Geophysical Fluid Dynamics Laboratory, November 20, 2024, <https://www.gfdl.noaa.gov/global-warming-and-hurricanes/>.

⁴ Center for Climate and Energy Solutions, *Hurricanes and Climate Change*, n.d., accessed October 10, 2025, <https://www.c2es.org/content/hurricanes-and-climate-change/>.

⁵ Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5121 et seq. https://www.doi.gov/sites/doi.gov/files/uploads/Stafford_Act_pdf.pdf.

⁶ HUD Exchange, "CDBG-DR Overview," accessed November 10, 2025, <https://www.hudexchange.info/programs/cdbg-dr/overview>.

⁷ Joseph Jaroscak, "The Community Development Block Grant's Disaster Recovery (CDBG-DR) Component: Background and Issues," Congress.Gov, accessed November 10, 2025, <https://www.congress.gov/crs-product/R46475>.

⁸ GAO, “Disaster Recovery: Use of HUD Block Grant Funds to Meet Cost-Share Requirements | U.S. GAO,” September 29, 2025, 2, <https://www.gao.gov/products/gao-25-107603>.

⁹ Zhu et al., “Latino Homeowner Risk from Natural Disasters,” 1.

¹⁰ FEMA, *Wind Retrofit Guide for Residential Buildings* (2010), 10, https://www.wbdg.org/FFC/DHS/fema_p_804.pdf.

¹¹ Carmen Nieves, “Implications of Language in Emergency Preparedness among Latino Immigrants in New Jersey,” 2019, 4,

<https://www.proquest.com/openview/114318685bod1e7b8b3a98ff314a36d3/1?pq-origsite=gscholar&cbl=2026366&diss=y>

¹² “Civil Rights and Protections During the Federal Response to Hurricanes Harvey and María | U.S. Commission on Civil Rights,” September 21, 2022, 8, <https://www.usccr.gov/reports/2022/civil-rights-and-protections-during-federal-response-hurricanes-harvey-and-maria>.

¹³ Ivis Garcia, “The Lack of Proof of Ownership in Puerto Rico Is Crippling Repairs in the Aftermath of Hurricane Maria,” American Bar Association, May 21, 2021, <https://www.americanbar.org/groups/crsj/resources/human-rights/archive/lack-proof-ownership-puerto-rico-crippling-repairs-aftermath-hurricane/>.

¹⁴ FEMA, “Verifying Home Ownership or Occupancy | FEMA.Gov,” August 12, 2025, <https://www.fema.gov/assistance/individual/after-applying/verifying-home-ownership-occupancy>.

¹⁵ “Civil Rights and Protections During the Federal Response to Hurricanes Harvey and María | U.S. Commission on Civil Rights,” 5.

¹⁶ Elizabeth M. Webster, “FEMA’s Individuals and Households Program (IHP)—Implementation and Considerations for Congress,” legislation, Congress.Gov, March 3, 2025, <https://www.congress.gov/crs-product/R47015>.

¹⁷ FEMA, “FEMA Direct Lease for Displaced Survivors | FEMA.Gov,” April 17, 2025, <https://www.fema.gov/fact-sheet/fema-direct-lease-displaced-survivors>.

¹⁸ Centers for Disease Control and Prevention, “Air Quality: Final Report on Formaldehyde Levels in FEMA-Supplied Travel Trailers, Park Models, and Mobile Homes,” December 15, 2010, iii, <https://stacks.cdc.gov/view/cdc/140885>

¹⁹ Jaroscak, “CDBG-DR Process Standardization.”

²⁰ HUD, “Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice,” Federal Register, January 8, 2025, <https://www.federalregister.gov/documents/2025/01/08/2024-31621/common-application-waivers-and-alternative-requirements-for-community-development-block-grant>

²¹ “Ensuring Equitable Delivery of Disaster Benefits to Vulnerable Communities and Peoples: An Examination of GAO’s Findings of the CDBG-DR Program,” legislation, accessed December 24, 2025, <https://www.congress.gov/event/117th-congress/house-event/114350>.

²² “How to Document Home Ownership and Occupancy for FEMA | FEMA.Gov,” June 20, 2025, <https://www.fema.gov/fact-sheet/how-document-home-ownership-and-occupancy-fema-11>.

²³ Centers for Disease Control and Prevention, “Air Quality.”

²⁴ “Civil Rights and Protections During the Federal Response to Hurricanes Harvey and María | U.S. Commission on Civil Rights,” 5.

²⁵ FEMA, “Disaster Recovery Reform Act Public Assistance Program Amendments,” July 2019, https://www.fema.gov/sites/default/files/2020-07/fema_pa_disaster-recovery-reform-act_factsheet.pdf.

²⁶ Zhu et al., *Latino Homeowner Risk from Natural Disasters*.

Appendix

1. **Short-term vs. long-term housing relief** — The division of federal disaster housing responsibilities: FEMA provides immediate aid, while HUD manages long-term recovery funding.
2. **FEMA (Federal Emergency Management Agency)** — The federal agency responsible for short-term housing assistance and emergency response following disasters.
3. **HUD (U.S. Department of Housing and Urban Development)** — The federal agency that funds long-term housing recovery and community rebuilding, mainly through CDBG-DR programs.
4. **Stafford Act** — The principal U.S. law authorizing federal disaster response and FEMA’s assistance programs after presidential disaster declarations.
5. **Individuals and Households Program (IHP)** — FEMA’s main post-disaster program offering temporary housing, repair, and limited replacement grants.
6. **Direct Housing (FEMA)** — FEMA-provided temporary housing when rental markets are unavailable, including manufactured housing and leased units.
7. **CDBG-DR (Community Development Block Grant–Disaster Recovery)** — HUD’s disaster recovery grants to states and territories for long-term housing, infrastructure, and mitigation projects.
8. **Section 203(h) Mortgage Insurance** — A HUD/FHA program that enables disaster victims to purchase or rebuild homes after significant loss or damage.
9. **Hazard Mitigation** — Efforts to reduce future disaster risks, such as elevating homes or reinforcing structures against wind and flood damage.
10. **Hurricane-prone regions** — U.S. areas with frequent hurricane exposure, including the Atlantic Ocean and Gulf coasts, Hawaii, Puerto Rico, Guam, the Virgin Islands, and American Samoa.
11. **Climate Change Intensification** — The phenomenon of stronger and wetter hurricanes due to global warming, increasing damage to homes and infrastructure.
12. **Low- to Moderate-Income (LMI) Households** — Families earning less than the area median income who often face the greatest barriers in disaster recovery.
13. **Renters** — Households without homeownership status who rely on local rental markets, often destabilized by disasters.
14. **Mixed-Status or Undocumented Families** — Households with members lacking legal immigration status, potentially limiting access to federal disaster aid.
15. **Communities of Color / Latino Households** — Racial and ethnic minority groups, particularly Latino communities, are disproportionately affected by hurricane damage and systemic barriers to aid.
16. **State, Territorial, and Local Agencies** — Government bodies that manage federal disaster relief funds and oversee local implementation.
17. **Private Actors** — Builders, insurers, landlords, and lenders who influence the speed and feasibility of reconstruction and recovery.
18. **Impacted Communities** — Low-income renters, Black and Latino households, and mixed-status families are most affected by hurricane-related housing damage.
19. **Temporary Housing Assistance (FEMA)** — Short-term rental or lodging aid provided to displaced individuals or families.

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20. **Repair and Replacement Grants (FEMA)** – FEMA funds to repair or replace homes damaged or destroyed by disasters, subject to program limits.
 21. **Relocation Payments (HUD/CDBG-DR)** – HUD-funded payments to displaced residents to help them move from uninhabitable housing.
 22. **Acquisition and Rehabilitation (HUD/CDBG-DR)** – HUD-supported purchase and repair of damaged homes and public facilities to restore livability.
 23. **Public Facilities Rehabilitation (HUD/CDBG-DR)** – Restoration of community infrastructure such as roads, neighborhood centers, and utilities.

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