

Substantial Amendment 9

Substantial Amendment 9, Approved by HUD 6/1/2020			
Previous Page #	New Page #	Section	Change/Addition/Deletion
89	87	Projects and Activities	Updated total CDBG-DR Program budget to \$812,235,745 to include additional allocation of HUD funds
91	88	Projects and Activities	Updated total Infrastructure budget from \$147,411,853 to \$186,049,598, to include additional allocation of HUD funds
91	88	Projects and Activities	Updated MID Budget Breakdown: 80% from \$117,929,482.40 to \$147,294,168.60 and 20% from \$29,482,370.60 to \$36,823,542.15.
118	114	Projects and Activities	Updated language to include additional allocation of HUD funds to address unmet Infrastructure needs
119	N/A	Projects and Activities	Removed duplicative language regarding monitoring standards and procedures from the Infrastructure Repair Program section. <i>Monitoring Standards and Procedures</i> within III. General Action Plan Requirements contains all information related to DEO's Disaster Recovery monitoring standards and procedures.
119	115	Projects and Activities	Infrastructure Repair and Mitigation Activities Updated Allocation for Activity from \$147,411,853 to \$186,049,598.

Substantial Amendment Introduction

The Florida Department of Economic Opportunity's (DEO) Rebuild Florida Infrastructure Repair Program was launched with \$85,819,653 to fund infrastructure restoration and improvement projects in communities impacted by Hurricane Irma. Counties, municipalities, water management districts and water authorities located in the most impacted and distressed (MID) areas that experienced Hurricane Irma storm damage are eligible to apply for funding. During the 90-day initial application period, the Infrastructure Repair Program received 42 applications totaling approximately \$175 million in CDBG-DR dollars requested.

On January 30, 2020, the Rebuild Florida Infrastructure Repair Program awarded \$84.3 million to 21 communities. With additional CDBG-DR funding, the Infrastructure Repair Program will be able to fund more projects to repair damages and create resiliency throughout the Hurricane Irma impacted areas.

On March 11, 2020, Florida's Non-Substantial Amendment #8 to the Hurricane Irma Action Plan updated the total Infrastructure Repair Program budget from \$85,819,653 to \$147,411,853, to include \$30,882,761 transfer from the Voluntary Home Buyout Program Budget, \$5,549,344 from the Workforce Recovery Training Program Budget, and \$25,160,095 from the Business Recovery Grant Program.

On January 27, 2020, HUD released federal guidance for an additional \$38,637,745 to Florida through CDBG-DR funds to support long-term recovery from Hurricane Irma. In accordance with Federal Register, Vol. 85, No. 17, the state must submit a substantial amendment to the State of Florida Action Plan for Disaster Recovery to reflect the additional allocation to address unmet infrastructure needs by May 3, 2020.

2. Program Budget

DEO is the lead agency and responsible entity for administering \$812,235,745 in Community Development Block Grant Disaster Recovery (CDBG-DR) funds allocated to the state for recovery. In accordance with the Federal Register, DEO’s aggregate total for indirect costs, administrative and technical assistance expenditures will not exceed 5 percent of the total grant (\$38,679,900) plus program income. DEO will limit spending to a maximum of 20 percent of its total grant amount on a combination of planning, indirect and program administration costs. Planning costs subject to the 15 percent cap are those defined in 42 U.S.C. 5305(a) (12). State and local administration costs are capped at 5 percent in aggregate by federal regulations. The state will provide additional guidance to subrecipients regarding the amount of administrative funds available to them. Eligible project delivery costs are presumed included as a portion of the overall CDBG-DR grant funding allocation provided to each subrecipient. Subrecipients will be responsible for properly tracking and monitoring these expenses that may not be included as part of the overall grant award to each individual project or individual applicant as applicable.

The program budget outlined is as follows:

Program Budget									
Program	Total Budget	MID Budget Breakdown		Min Set-Aside for Keys	Min Set-Aside for New MIDs	Estimated LMI Benefit	Maximum Award	Average award per unit	Estimated # of Units*
		80%	20%						
HOUSING Budget									
Housing Repair Program	\$346,186,147	\$276,948,917.60	\$69,237,229.40	\$50,000,000	\$51,856,347	90%	\$150,000	\$45,000	7,150
Workforce Affordable Rental New Construction Program: Leveraging Other Sources of Financing	\$100,000,000	\$80,000,000	\$20,000,000	\$25,000,000	N/A	100%	\$8,000,000	\$60,000	1,670
Workforce Affordable Rental New Construction Program: Small Rental Developments	\$20,000,000	\$16,000,000	\$4,000,000	\$0	N/A	100%	\$5,000,000	\$125,000	160
Land Acquisition for Affordable Workforce Housing	\$20,000,000	\$16,000,000	\$4,000,000	\$10,000,000	N/A	100%	\$5,000,000	N/A	N/A
Voluntary Home Buyout Program	\$44,117,239	\$35,293,791.20	\$8,823,447.80	\$10,000,000	N/A	50%	\$5,000,000	\$225,000	300

ECONOMIC REVITALIZATION Budget									
Recovery Workforce Training	\$14,450,656	\$11,560,524.80	\$2,890,131.20	N/A	N/A	100%	N/A	N/A	N/A
Business Recovery Grant	\$40,839,905	\$32,671,924	\$8,167,981	N/A	N/A	100%	\$500,000	N/A	157
INFRASTRUCTURE Budget									
Infrastructure Repair and Mitigation Program-Competitive Application Cycle	\$186,049,598	\$148,839,678.40	\$37,209,919.60	N/A	*these are included in the 80%	25 %	N/A	N/A	N/A
STATE AND LOCAL ADMINISTRATION									
Administration (5%)	\$38,679,900	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Planning	\$1,912,300	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL	\$812,235,745	\$617,314,836	\$154,328,709	\$95,000,000	\$51,856,347				

Eighty percent of each program allocation listed below will be spent within HUD-identified most-impacted and distressed communities. Funding included as a minimum set-aside for Monroe County is a subset of the 80 percent that will be spent in most-impacted and distressed communities. The remaining 20 percent will be spent in state-identified most-impacted and distressed communities, which are listed in the table above.

*The estimated number of units is calculated based upon the assumption that the award amount per unit will vary from the average estimated award to a maximum estimated award of \$150,000. The estimated number of units have been rounded in this project budget to allow for flexibility and any imprecision in our estimates. Once DEO receives more accurate data, the program budget will be updated to accurately reflect the true cost and units. These adjustments will be included in future action plan amendments. The unmet needs assessment demonstrated that the majority of unmet needs were housing related. Therefore, the largest allocation of funding will address the remaining unmet housing needs.

The program descriptions below will provide further detail on how each program will distribute funding and meet HUD National Objectives. DEO will implement program management, monitoring, and oversight standards necessary to ensure compliance with state and federal requirements.

Infrastructure Repair and Mitigation Activities

The State of Florida has made significant investments in mitigation over the past 25 years to ensure that infrastructure is able to withstand the impacts of wind and flood events. Hurricane Irma was a success story for the state in that infrastructure damage assessments were not as high as initially projected due to this major statewide investment. DEO will continue to strengthen the state's infrastructure by creating an Infrastructure Repair and Mitigation Program that allows communities to use CDBG-DR to leverage other funding sources such as the Hazard Mitigation Grant Program (HMGP), 406 Public Assistance (406 PA) Mitigation Program. Some communities are not able to fully utilize these other resources following a disaster because reserve cash funds are exhausted by disaster recovery efforts and they cannot meet local match requirements. Allowing local governments to leverage CDBG-DR funding as match will enable communities, especially smaller and rural local governments, to better utilize all resources available to them.

In the development of policies and procedures, cost benefit will be addressed. DEO acknowledges infrastructure activities may have unintended risks that could potentially affect communities. With this understanding, DEO will follow guidance provided in the Federal Register to avoid disproportionate impacts on vulnerable populations and environmental injustice. Additionally, DEO recognizes the importance of resiliency against future storms and will employ adaptable and reliable technologies to guard against premature obsolescence of infrastructure. DEO will describe the implementation of utilizing these technologies, when applicable, in its program policies and procedures manual.

Infrastructure Repair and Mitigation Program

The Florida Department of Economic Opportunity's (DEO) Rebuild Florida Infrastructure Repair Program was launched with \$85,819,653 to fund infrastructure restoration and improvement projects in communities impacted by Hurricane Irma. On January 27, 2020, HUD released federal guidance for an additional \$38,637,745 to Florida through CDBG-DR funds to support long-term recovery from Hurricane Irma. Approximately \$186 million will be distributed in the Infrastructure Repair and Mitigation Program. Hurricane Irma affected many community's infrastructure systems such as damaging roadways, bridges and state beaches. Funding will be dispersed to communities impacted by Hurricane Irma through a competitive application cycle with priority given to projects that can demonstrate urgent need, readiness to proceed, and that benefit LMI. Where possible, DEO will leverage other sources such as FEMA Public Assistance funding to first address remaining urgent and unmet needs in communities.

Eligible activities within this program may include, but are not limited to the following:

- Restoration of infrastructure damaged by Hurricane Irma (such as water and sewer facilities, streets, removal of debris, drainage, bridges, etc.).
- Demolition and rehabilitation of publicly or privately owned commercial or industrial buildings.
- Renourishment of protective coastal dunes systems and state beaches.
- Repairs to damaged buildings that are essential to the health, safety and welfare of a community when repairs to these buildings constitutes an urgent need (this can include police stations, fire stations, parks and recreational centers, community and senior centers, hospitals, clinics, schools and educational facilities, other public properties).
- Repairs to water lines and systems, sewer lines and systems, drainage and flood mitigation systems.

Prior to opening the competitive application cycle for the Infrastructure Repair and Mitigation Program, DEO will send an announcement through its mailing list describing the details of this program as well as an announcement on DEO's webpage which can be found [here](#). DEO will hold a pre-application training to those interested in the program. The pre-application training will go over the full details of the program. This training will also be advertised on the webpage. Then, following a tentative award, DEO will hold another pre-implementation training. This training will cover all materials and expectations for subrecipients. Following an award, DEO will hold trainings, as needed.

Competitive Application Cycle

Applicants will select projects or programs to propose to DEO for funding in accordance with DEO thresholds and objectives. These thresholds are:

- Projects must demonstrate tie-back to Hurricane Irma
- Projects must not duplicate benefits.

DEO will also consider to what extent proposed projects or programs support the following objectives:

- Projects must support LMI housing needs in some way,
- Projects must primarily serve LMI populations, or
- Demonstrate an urgent need in the community

DEO will first consider LMI as the national objective for infrastructure projects. The urgent need national objective will only be used if the project is not LMI, but is needed to alleviate emergency conditions. When using urgent need as a national objective, DEO will obtain justification from the local government or municipality to certify the urgency of the condition.

Applicants may pursue a range of eligible activities as allowed under CDBG-DR regulations for this appropriation, so long as they are in accordance with DEO threshold requirements and the requirements for the applicable activity as outlined in the Action Plan and Federal Register. Applicants will be required to meet HUD regulations, such as environmental, duplication of benefits, fair housing and others.

Allocation for Activity: \$186,049,598 Competitive Cycle

Maximum Award: N/A

Responsible Entity for Administering: DEO

Eligibility: 105(a)(2)

National Objective: Low- and moderate-income benefit or Urgent Need

Use of CDBG-DR as Match

Additionally, funds may be used to meet a matching, share, or contribution requirement for any other federal program when used to carry out an eligible CDBG-DR activity. This includes programs or activities administered by the Federal Emergency Management Agency (FEMA) or the U.S. Army Corps of Engineers (USACE). By law, the