

Amendment 5 (Substantial)

Substantial Amendment 5, Pending HUD Approval			
Previous Page #	New Page #	Section	Change/Addition/Deletion
xiii	N/A	List of Acronyms	Added HMGMP – Hazard Mitigation Grant Program to the List of Acronyms.
N/A	27	3.0 Projects and Activities	<p>Inserted text stating that all activities undertaken by the Voluntary Home Buyout program must meet the requirements of the Housing and Community Development Act of 1974.</p> <p>Clearly listed national objective criteria as stated by HUD in 83 FR 5864.</p>
N/A	28	3.0 Projects and Activities	<p>Replaced two instances of “resettlement incentives” with “housing incentives” for consistency with national objective criteria language.</p> <p>Added LMHI benefit to the eligibility criteria.</p>
N/A	34	3.0 Projects and Activities	Added language stating that CDBG-DR funds as HMGP match will be administered “directly by DEO through the Hazard Mitigation Grant Match Program (HMGMP).”
N/A	35	3.0 Projects and Activities	Changed “HMGP” to “HMGMP.”
N/A	159	APPENDICES AND SUPPORTING DOCUMENTATION	Inserted “Appendix 5: 30 – day Public Comment Period for Substantial Amendment 5” to provide a summary of public comments received. This resulted in Projected Expenditures being shifted to Appendix 6.
	Entire Document	Entire Document	<p>Completed formatting changes throughout the document for consistency with other program documents and ease of navigation. These edits included:</p> <ul style="list-style-type: none"> • Renumbering headings to follow the following format: 1.0, 1.1, 1.1.1, 1.1.1.1 • Made margins .75” throughout the document • Changed heading font sizes for legibility • Removed extraneous spaces and page breaks <p>These changes and the additions noted above changed the page count of the document from 181 total pages to 174 pages.</p>

Substantial Amendment Introduction

The substantial amendment modifies The State of Florida Action Plan for Disaster Recovery for Hurricane Michael.
Voluntary Home Buyout—Low and Moderate Housing Incentive (LMHI)

In order to serve as many low- to moderate-income (LMI) individuals as possible, the Voluntary Home Buyout program has included Low and Moderate Housing Incentives (LMHI) as a National Objective criteria in addition to low- to moderate-income area (LMA). This will provide additional opportunities for local government partners (subrecipients) to meet unmet buyout needs for interested/participating program applicants.

List of Acronyms

ADA – Americans with Disabilities Act

AFN – Access and Functional Needs

AFFH - Affirmatively Furthering Fair Housing

AMI – Area Median Income

CAH – Critical Access Hospital

CDBG – Community Development Block Grant

CDBG-DR – Community Development Block Grant – Disaster Recovery

CMS – Centers for Medicare and Medicaid Services

CoC – Continuum of Care

D&B – Dunn and Bradstreet

DEO – Florida Department of Economic Opportunity

DOB – Duplication of Benefits

DRGR – Disaster Recovery Grant Reporting System

DSS – Decent, Safe and Sanitary

EDA – U.S. Economic Development Administration

FDEM – Florida Division of Emergency Management

FEMA – Federal Emergency Management Agency

FEMP – Federal Emergency Management Program

FHFC – Florida Housing Finance Corporation

FIDA – FEMA Information Data and Analysis

FVL – Full Verified Loss

GSA – Government Services Agency

HA – Housing Assistance

HCD – Housing and Community Development Act of 1974

HCV – Housing Choice Voucher

HGA – Homeowner Grant Agreement

HMGP – Hazard Mitigation Grant Program

HMGMP – Hazard Mitigation Grant Match Program

HQS – Housing Quality Standards

HUD - The United States Department of Housing and Urban Development

IA – Individual Assistance Program

LEP – Limited English Proficiency

5. Funds must be used for title resolution services related to Heirs Property.

The TAB is not a DOB to housing rehabilitation, repair or reconstruction funds, as it constitutes a separate and distinct eligible activity.

3.4.1.3 Voluntary Home Buyout Program

Reducing the risk of flooding in residential areas is a priority for the state of Florida. The Florida Division of Emergency Management (FDEM) has recommended that all counties focus on acquisition of properties without flood insurance in Special Flood Hazard Areas. Recognizing this great need, DEO will create a Voluntary Home Buyout program to encourage risk reduction through the acquisition of residential property in high flood risk areas. It is the responsibility of subrecipients interested in pursuing the buyout projects to support and provide:

- Appraisals;
- Title and legal services;
- Homeowner counseling services;
- Environmental review; and
- Related buyout processes.

Counties that are interested in participating will have two potential funding options for pursuing home buyout.

The first option is to leverage CDBG-DR funding as match for projects that are also eligible for the Hazard Mitigation Assistance (HMA) grant programs.

The second option is to work directly with DEO on projects located in LMI areas to buyout residential areas in support of permanent open space supporting green infrastructure or other floodplain management systems.

The CDBG-DR driven buyout program will meet or exceed its overall Low and Moderate Income National Objective by requiring all activities to meet all requirements of the Housing and Community Development Act of 1974, and one of the following criteria as stated in 83 FR 5864:

1. **Low- and Moderate-income Area benefit (LMA):** properties acquired through buyouts will be used in a way that benefits a service area where at least 51 percent of the residents are LMI.
2. **Low/Moderate Housing Incentive Criteria (LMHI):** buyout must be of a qualifying LMI household, and a housing incentive is used for the purpose of moving outside of the affected floodplain to an area of reduced flood risk.

DEO will prioritize home buyout projects that focus on the acquisition of concentrations of residential areas that meet LMI area requirements. The CDBG-DR driven buyout program will be required to meet a low-moderate area (LMA) benefit for funding.

Cities and counties that are interested in this program will work with DEO to determine feasibility of the project. Once a project is determined feasible, it will be eligible for funding in this program. Local governments are encouraged to leverage matching funds under this program and will also be eligible to include homeowner incentives to encourage relocation.

Additional criteria for both homeowner buyout program options, including a process map for coordination with FDEM will be detailed in the Voluntary Home Buyout Program guidance to be released after the approval of this action plan. DEO will manage subrecipient agreements directly with eligible local governments and coordinate with our partners at FDEM on project application evaluation, required environmental and cultural resource reviews and program implementation, where applicable.

For all properties acquired by subrecipients through the Voluntary Home Buyout Program, a restrictive covenant, in perpetuity (i.e. running with the land), prohibiting all future redevelopment of the site must be recorded upon closing of the transaction. New development would be on an alternative site that is less at risk of flooding and would be built to building code, elevation standards and meet requirements of CDBG-DR.

Properties that have received rehab or repairs through the HRRP will not be eligible for assistance under the Voluntary Home Buyout Program. However, on a case-by-case basis, housing units that have been demolished through the Voluntary Home Buyout Program may be eligible for new construction/replacement, in an area other than the buyout zone, through the Housing Repair and Replacement Program at DEO’s discretion.

No specific site or property needs to be acquired, although DEO may limit its search for alternative sites to a general geographic area. Where DEO wishes to purchase more than one site within a general geographic area on this basis, all owners are to be treated similarly.

The property to be acquired is not part of an intended, planned or designated project area where all or substantially all of the property within the area is to be acquired within specific time limits. DEO will not acquire the property if negotiations fail to result in an amicable agreement, and the owner is so informed in writing. DEO will inform the owner in writing of what it believes to be the market value of the property. Florida Licensed Real Estate Appraisers will be used to value property in the Voluntary Home Buyout program. DEO will offer the homeowner the value of the home as appraised current fair market value post storm.

Additionally, DEO will establish policies on LMHI. DEO’s policies will ensure that LMHI comply with applicable Civil Rights and Affirmatively Furthering Fair Housing (AFFH) requirements and that there is no discrimination against a protected class.

Competitive application Cycle Applicants will propose property acquisition projects to DEO for funding in accordance with DEO thresholds and objectives.

The following table contains the criteria and relative importance for the selection of applications.

Table 7: VHB Scoring Criteria

Criteria	Relative Importance
Benefit to LMI households	High
Acquisition of properties in Special Flood Hazard Areas without flood insurance	High
Vulnerability of LMI population served	High
Concentration of LMI residential properties acquired	Medium
Leverage of additional resources	Medium
Benefit to target area	Medium
Cost reasonableness and effectiveness	Medium
Staffing experience and capacity	Low

Allocation for Activity: \$9,411,777

Eligible Applicants: Counties and municipalities within those counties that received a declaration of both FEMA IA and PA after Hurricane Michael.

Eligibility Criteria: Buyout areas that result in a feasible project that will meet a LMA or LMHI benefit.

Maximum Award: \$5,000,000

Responsible Entity for Administering: Units of General Local Government (UGLG)

Eligibility: 105(a)(1), 83 FR 5844-35 Housing incentives in disaster-affected communities

National Objective: Benefit to low- and moderate-income persons

The Calhoun-Liberty Hospital, a designated CAH, sustained significant damage from Hurricane Michael. The hospital lost 15 of its 25 beds after 80 percent of the roof was torn off due to the extreme winds. The extent of the damage resulted in a mandate by local building officials that the building must be brought back to code, which is cost prohibitive. The repair cost exceeds the value of the current building, which requires a new facility to be constructed.

The Calhoun-Liberty Hospital serves a predominantly LMI population. Without the hospital, residents in the community would have to travel 50 - 65 miles to receive emergency care. The facility is extremely important to the healthcare of Calhoun and Liberty Counties as well as portions of Jackson and Gulf Counties. In addition to healthcare access, Calhoun-Liberty Hospital is an economic driver in the area. Over 500 healthcare related jobs alone directly and indirectly depend on the operation of the hospital.

Allocation for Activity: \$18,700,000

Responsible Entity for Administering: DEO

Eligible Subrecipient: Calhoun-Liberty Hospital

Eligible Activities: Reconstruction of the Calhoun-Liberty Hospital

Eligibility: 105 (a)(4)

Eligible National Objectives: Meeting a need having a particular urgency (urgent need)

3.4.3.3 Use of CDBG-DR as HMGP Match

Long-term resilience measures and infrastructure improvements are critical to the ongoing recovery of the state of Florida following Hurricane Michael. To fortify infrastructure with resilience measures, it will be important to leverage CDBG-DR dollars in conjunction with other funding streams. DEO will maximize the benefit achieved through the expenditure of CDBG-DR funds by allocating \$50,000,000 of the General Infrastructure Repair Program’s budget to match the FEMA’s Hazard Mitigation Grant Program (HMGP) to complete resilience projects. These funds will be administered directly by DEO through the Hazard Mitigation Grant Match Program (HMGMP).

FEMA-4399-DR-FL 12-Month Lock-in as of 11/1/19

County	Regular Projects HMGP Funding	25% Match Required
Bay	\$ 206,400,003.89	\$ 68,800,001.30
Calhoun	\$ 14,197,149.84	\$ 4,732,383.28
Franklin	\$ 5,942,563.97	\$ 1,980,854.66
Gadsden	\$ 7,272,701.38	\$ 2,424,233.79
Gulf	\$ 22,677,793.80	\$ 7,559,264.60
Holmes	\$ 3,586,200.62	\$ 1,195,400.21
Jackson	\$ 24,338,926.69	\$ 8,112,975.56
Leon	\$ 7,257,047.91	\$ 2,419,015.97
Liberty	\$ 4,918,433.00	\$ 1,639,477.67
Taylor	\$ 2,863,835.83	\$ 954,611.94
Wakulla	\$ 4,722,454.77	\$ 1,574,151.59
Washington	\$ 6,643,146.30	\$ 2,214,382.10
	\$ 310,820,258.00	\$ 103,606,752.67

Based on NEMIS as of 11/4/19

Figure 1: FEMA 12-Month Lock-In

Any match funding activities must meet CDBG-DR and FEMA eligibility requirements. DEO will coordinate with FEMA and HUD to ensure all eligibility requirements are met for all project applications submitted for Global Match.

Activities may include but are not limited to: buyouts, structural elevation, localized flood risk reduction, infrastructure retrofit and post-disaster code enforcement. Applicants are required to submit applications to DEO for the HMGMP. Projects must meet both FEMA and HUD requirements to be eligible for funding.

The following table contains the criteria and relative importance for the selection of applications.

Table 11: HMGMP Scoring Criteria

Criteria	Relative Importance
Demographic need (LMI, historically underserved areas)	High
Leverage of additional resources	High
Homeless shelters or facilities serving as emergency shelters	Medium
Stormwater infrastructure	Medium
Project impact	Medium

Allocation for Activity: \$50,000,000

Responsible Entity for Administering: DEO

Eligible Subrecipients: Units of General Local Government located in HUD MID and State MID counties

Eligible Activities: All activities allowed under CDBG-DR including but not limited to flood control and drainage improvements, including the construction or rehabilitation of storm water management systems; infrastructure improvements (such as water and sewer facilities, streets, provision of generators, removal of debris, bridges, etc.); natural or green infrastructure; communications infrastructure; buyouts or acquisition with or without relocation assistance, down payment assistance, housing incentives and demolition; activities designed to relocate families outside of floodplains; and Hazard Mitigation Plan updates Executing Jurisdiction(s): UGLG subrecipients

Eligibility: 105 (a)(9)

Eligible National Objectives: Benefit to low- and moderate-income persons; Meeting a need having a particular urgency (urgent need)

Technical Assistance

DEO wants to encourage and aid eligible applicants to participate in long-term disaster recovery programs for Hurricane Michael. The state of Florida is prioritizing the availability of technical assistance to applicants located in an area that is identified as a HUD or state MID and classified as a Fiscally Constrained County (which are identified in the map below).

Appendix 5: 30 – day Public Comment Period for Substantial Amendments

Summary of Public Comments

Substantial Amendment 5

Public Comments

This document describes the comments received from the public following the release of the CDBG-DR draft Action Plan Substantial Amendment 5.

- Release Date: August 8, 2022
- Comment Period: 8/8/2022-9/7/2022
- Approved by HUD:
- Number of Comments Received:

The duration of the public comment period as well as instruction for public comment submissions were posted to the CDBG-DR official webpage at www.floridajobs.org/CDBG-DR.