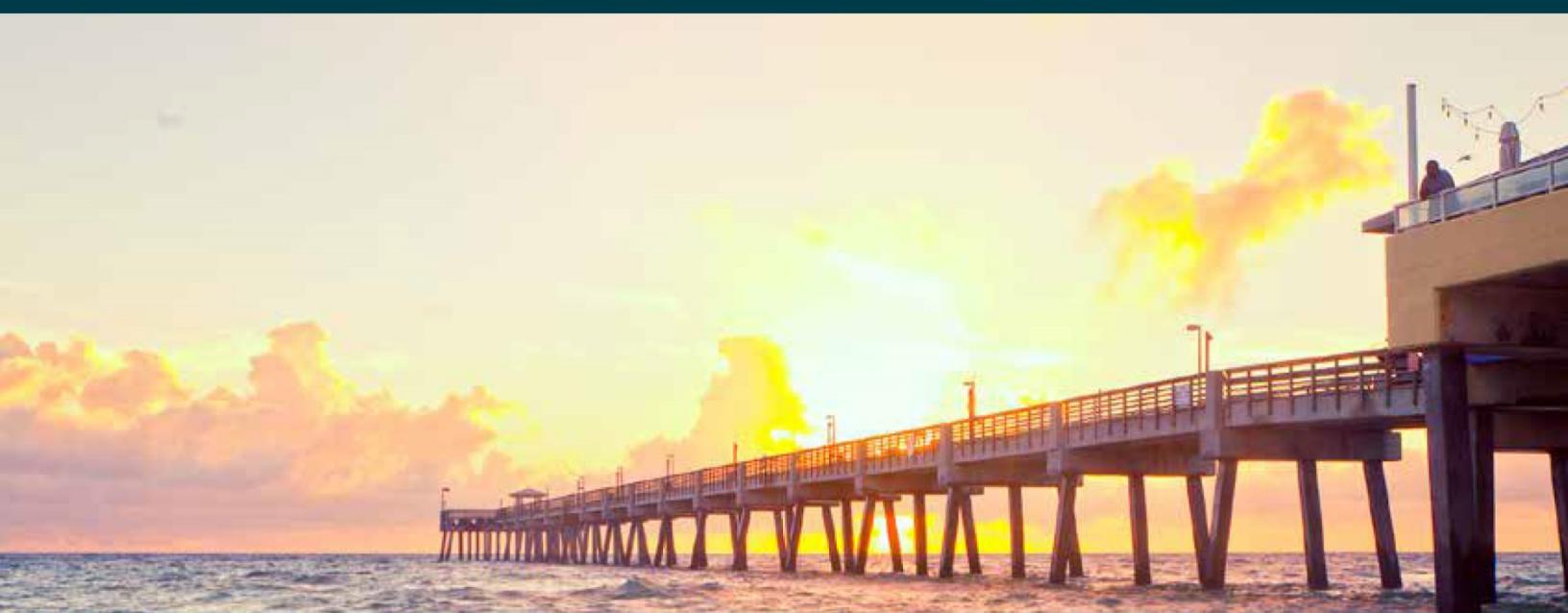


STATE OF FLORIDA

Action Plan for Disaster Recovery



Submitted to the U.S. Department of Housing and Urban Development (HUD) in fulfillment of requirements for the Community Development Block Grant- Disaster Recovery (CDBG-DR) program for recovery from Hurricanes Hermine and Matthew

REVISION 1 UPDATES TO ACTION PLAN, Approved by HUD June 20, 2017

Previous Page #	New Page #	Section	Change/Addition/Deletion
Second page Table of Contents	Second page Table of Contents		Addition of: 42. Disaster Recovery Program Implementation 43. Local Government Application for Funding 44. Citizen Participation and Applications for Assistance
67	67	Method of Distribution	Broken down 80% & 20% categories amounts.
69	69	Program Details	Added Objectives to Eligible Activities.
71	71	Criteria to Determine Method of Distribution	Revised language in second and third paragraphs.
73	73	Use of Urgent Need	Added language regarding submission requirements of Urgent Need documents.
80	80	CDBG-GR Certifications	Added language expanding certification of compliance with environmental requirements of 24 CFR part 58 and Section 582 of the NFIP to all grant subrecipients.
83	83	Disaster Recovery Program Implementation Local Government Application for Funding Citizen Participation and Applications for Assistance	New language regarding availability of DR Implementation Timeline on the CDBG-DR website at www.floridajobs.org/CDBG-DR . New language regarding availability of Local Government Application for Funding on the CDBG-DR website at www.floridajobs.org/CDBG-DR . New language regarding availability to citizens of their local government's planned or proposed disaster recovery activities and opportunity for citizen input via the HUD User Internet website at https://www.huduser.gov/portal/datasets/il.html .

REVISION 2 UPDATES TO ACTION PLAN (October 12, 2017)

<u>Previous Page #</u>	<u>New Page #</u>	<u>Section</u>	<u>Change/Addition/Deletion</u>
N/A	Page prior to Table of Contents	Introduction	Overview of Action Plan and funding associated with Hurricanes Hermine and Matthew.
7	7-8	Background	Added paragraph regarding Hurricane Irma. Added additional Public Law and updated dollar figures to reflect August 7, 2017 Federal Register. Statement added regarding Duplication of Benefits precautions to be taken by local units of government due to additional damage caused by Hurricane Irma.
N/A	9-10	Unmet Needs Assessment	Added community outreach efforts. Inserted updated FEMA data chart.
28	29	Housing Needs	Statement of remaining unmet needs amount. Updated Table 12
39	40	Housing Impact Methodology	Statement of conclusions reached from updated FEMA, SBA and NFIP data. Updated Table 23, SBA Derived Impacts and Unmet Needs for Housing.
67	67	Method of Distribution	Language in first paragraph updated to specify Hurricanes Hermine and Matthew. Second paragraph updated to include additional Federal Register Vol. 82, No. 150, August 7, 2017.
69	69	Connection Between Needs and Allocation of Funds	Added language regarding additional Federal Register requirements for updated needs assessment data.
67	67-69	Program Budget	Updated figures to include additional funding. Paragraph added listing counties with damage from all three hurricanes: Hermine, Matthew and Irma. Statement added regarding Duplication of Benefits precautions to be taken by local units of government due to additional damage caused by Hurricane Irma.
68	68-69	Projects and Activities	DEO Program Oversight, Monitoring, Compliance chart updated to show revised 80% and 20% of new grant total. Paragraph added regarding updated needs assessment continuing to support Basis for Allocation percentages.
69	69	Program Details	Statement added regarding Duplication of Benefits precautions to be taken by local units of government due to additional damage caused by Hurricane Irma.
N/A	199-200	Public Comments	Public comments received during the Action Plan Amendment 1 comment period added.

SUBSTANTIAL AMENDMENT INTRODUCTION

This Action Plan guides the distribution of Community Development Block Grant (CDBG) funding associated with disaster recovery from Hurricanes Hermine and Matthew. Disaster recovery funding through the CDBG Program funding is designed to address unmet needs after other federal resources have been exhausted. On January 18, 2017, the U.S. Department of Housing and Urban Development (HUD) announced that the State of Florida was eligible to receive \$58,602,000 in funding through the CDBG Program to support long-term recovery after the 2016 hurricanes. On April 23, 2017, the state, working with impacted local governments, submitted an action plan to HUD that included:

1. A detailed assessment to determine what unmet needs remained after other federal funding had been exhausted,
2. A framework for how the CDBG funding will be used to address the unmet need,
3. A detailed management plan for how the program would ensure compliance with federal requirements.

This plan was approved on June 20, 2017, and the grant was awarded to the State of Florida on September 22, 2017.

On August 7, 2017, HUD announced that the state will receive an additional \$59,335,000 through the CDBG Program to support long-term recovery from Hermine and Matthew. This brings the total amount of funding available to support communities affected by these two hurricanes to \$117,937,000. The federal guidance associated with this second allocation required the state to submit a substantial amendment to their action plan to update the needs assessment and budget to reflect the additional funding by November 13, 2017.

In addition, Hurricane Irma made landfall in the State of Florida on September 10, 2017. This plan does not currently address disaster recovery from Hurricane Irma as HUD has not yet announced CDBG funding specifically for Florida's recovery from 2017 storms. However, it does recognize that some community impacts from Hermine and Matthew were exacerbated by Hurricane Irma.

1. UNMET NEEDS ASSESSMENT

INTRODUCTION

This unmet needs assessment covers Florida's housing, infrastructure and business damage and recovery efforts for both Hurricane Hermine (September 2016) and Hurricane Matthew (October 2016).

In September 2016 and October 2016, Florida was impacted by two hurricanes, resulting in storm surge and high winds. Hurricane Hermine made landfall along the Big Bend area of the state. Hurricane Matthew traveled up the entire eastern coastline, eventually making landfall about 30 miles north of Charleston, South Carolina. Matthew's proximity to the coast of the United States is historic in that it is the only storm within the recent period of record to skirt the entire southeastern seaboard requiring evacuations in Florida, Georgia and South Carolina. More than 2.5 million people across these three states were asked to evacuate, making Matthew the second largest mass evacuation in U.S. history¹. Fortunately, Florida was well-rehearsed for a massive hurricane evacuation and most people were able to get out of harm's way. Although many lives were spared because of proper planning and execution of hurricane plans, the state still saw large storm surge and high winds, which caused damage to infrastructure, homes and businesses.

Hurricane Matthew's significant storm surge was also historic in some parts of Florida. Tide levels on the east coast from Cape Canaveral north to the state border peaked as Matthew passed and storm surge flooding was widespread. On October 7, a peak surge of 9.88 feet above normal was measured at a National Ocean Service tide gauge at Fernandina Beach, Florida. Matthew pummeled more than half the state with heavy rainfall and strong winds, each causing damage to homes in the Northeastern counties. Storm surge from Hurricane Hermine, although not as pronounced as Matthew, still resulted in 7.5 feet of additional flood waters in some coastal areas.

Both Hermine and Matthew caused beach erosion. Hermine damaged coastlines from Pinellas County north to Wakulla County, while Matthew eroded beaches in coastal counties from Martin County north to Nassau County. Matthew overtopped an estimated 40 miles worth of dunes and other coastal structures, according to the United States Geological Survey². Additionally, agricultural operations in 16 counties were affected mainly due to power outages and wind damage. Although damaged businesses faced a four to six week disruption, many stepped up to give back to their communities. Free meals were prepared and given out to flood victims by volunteers. First responders, as well as many residents, were given discounts on needed services to ease financial hardship.

In addition, Hurricane Irma made landfall in the State of Florida on September 10, 2017. This plan does not currently address disaster recovery from Hurricane Irma as HUD has not yet announced CDBG funding specifically for Florida's recovery from 2017 storms. However, it does recognize that some community impacts from Hermine and Matthew were exacerbated by Hurricane Irma.

As the state continues its long term recovery efforts from these three storms, a focus on identifying impacts and addressing unmet needs is key. State and local government agencies, as well as civic organizations and community leaders will continue to address the fiscal, social, and environmental challenges from these events for years to come.

BACKGROUND

The Disaster Relief Appropriations Act (Public Laws 114-223, 114-254, and 115-31) (Appropriations Act) appropriated federal funds to states or units of general local government (UGLGs) for disaster recovery efforts. Public Law 114-223 appropriated \$500 million, Public Law 114-254 appropriated \$1.8 billion, and Public Law 115-31 appropriated \$342 million in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to be distributed to the various states that received a presidential disaster declaration in 2016. These funds are to be used in order to satisfy a portion of unmet need that still remains after other federal assistance such as the Federal Emergency Management Agency (FEMA), Small Business Administration (SBA), or private insurance has been allocated. The Florida Department of Economic Opportunity is the lead agency and responsible entity for administering the CDBG-DR funds allocated to the state.

The Department of Housing and Urban Development (HUD) uses the "best available" data to identify and calculate unmet needs for disaster relief, long-term recovery, restoration of infrastructure, and housing and economic revitalization. Based on this assessment, HUD notified the State of Florida that it will receive an allocation of \$117,937,000 in disaster recovery funds to assist in recovery from the hurricanes.

¹ https://www.washingtonpost.com/news/post-nation/wp/2016/10/07/hurricane-matthew-rumbles-along-floridas-coast-as-governor-warns-this-is-not-over/?utm_term=.5eb3105407ff

² <https://www.usgs.gov/news/and-after-photos-se-beach-dunes-lost-hurricane-matthew>

The Disaster Relief Appropriations Act requires that the state or local government must expend the funds within six years of the executed agreement between HUD and the grantee unless an extension is granted by HUD. In order to ensure that the funds assist the most impacted areas, 80 percent of the total award to the state will go to the HUD-identified Most Impacted and Distressed area. All of the allocated funds must be used for eligible disaster-related activities. To ensure that fraud, waste and misuse of funds does not occur, effective controls must be in place and monitored for compliance.

As with all proposed projects, communities will have to document that there will be no duplication of benefits. This is especially important in areas that may receive additional federal assistance to address Irma-related impacts.

The Unmet Needs Assessment, which evaluates the three core aspects of recovery – housing, infrastructure and economic development, forms the basis for the decisions outlined in the Action Plan. It was developed with the help of many state and local stakeholders as well as the public, through county and local risk assessments and the public comment period, to determine how unmet needs can be addressed with these limited federal funds.

UPDATED NEEDS ASSESSMENT

DEO reached out to local units of government and asked them to report any updated data they had regarding needs assessments tied to Hurricanes Hermine and Matthew. Several counties reported they still had unmet needs even after payments from other sources.

The chart below shows the Real Property FEMA Verified Loss (FVL) determinations in the Florida Individual Assistance (IA) declared counties, from the approved Action Plan, and the most current data provided by HUD for FEMA Total Estimated Serious Unmet Needs. It shows Citrus, Volusia and St. Johns counties still have more than \$4,000,000 in unmet housing needs from damage resulting from Hurricanes Hermine and Matthew.

The most current FEMA data provided by HUD to DEO on August 22, 2017 shows the impacted counties listed below and their remaining unmet housing needs from damage resulting from Hurricanes Hermine and Matthew.

**TABLE SA1: TOTAL ESTIMATED SERIOUS DAMAGED UNITS WITH UNMET NEEDS
(HUD PROVIDED FEMA IA DATA MAY 22, 2017)**

COUNTY	COMBINED TOTAL FOR HOMEOWNERS AND RENTALS	
	COUNT	DOLLARS
St. Johns	573	\$18,637,274
Volusia	130	\$4,596,189
Citrus	132	\$4,116,872
Duval	36	\$1,198,320
Flagler	59	\$1,838,641
Pasco	92	\$2,813,160
Brevard	22	\$773,056
Putnam	55	\$1,633,228
Dixie	85	\$2,680,120
Levy	42	\$1,371,906
Hernando	34	\$1,056,673
Taylor	64	\$2,167,623
Leon	10	\$343,054
Nassau	12	\$347,693
Pinellas	10	\$292,783
Indian River	6	\$182,963
Manatee	62	\$2,030,404
Hillsborough	4	\$178,324
Seminole	1	\$45,688
Wakulla	1	\$27,455

The chart below shows the most current unmet need for disaster related home loans as of August 28, 2017.

TABLE SA2: HOME LOAN APPLICATIONS FOR FLORIDA

COUNTY	APPLICATIONS RECEIVED	APPLICATIONS APPROVED	UNMET NEED (COUNT)
St. Johns	1063	488	575
Volusia	1801	678	1123
Citrus	212	85	127
Pasco	181	50	131
Dixie	55	5	50
Taylor	29	6	23
Manatee	49	4	45
Flagler	644	281	363
Putnam	185	61	124
Levy	72	24	48
Duval	604	204	400
Hernando	66	21	45

SBA Disaster Loan Statistics as of August 28, 2017

As stated in the Action Plan, mobile homes can be difficult to repair; cost may be disproportionately high compared to the overall structure. In addition to having a high number of mobile homes with verified loss, Volusia County is shown to have 81.64% of housing units built prior to 2000. Mobile homes built prior to 1994 are not insurable and cannot be repaired.

TABLE 11: ESTIMATED IMPACT, SUPPORT, AND UNMET NEEDS

SUMMARY OF IMPACTS/SUPPORT		HOUSING	INFRASTRUCTURE	ECONOMY	TOTAL
Amount of Estimated Impact		\$521,878,904	\$825,884,954	\$49,679,691	\$1,397,443,549
Amount of Funds Available		\$184,102,929	\$700,135,842	\$18,495,843	\$902,734,614
Unmet Needs		\$337,775,975	\$125,749,112	\$31,183,847	\$494,708,934
PERCENT OF TOTAL		68.28%	25.42%	6.30%	

HOUSING IMPACT

Table 12 below shows the Real Property FEMA Verified Loss (FVL) determinations in the Florida (IA) Individual Assistance declared counties. Real Property FEMA Verified Losses are those losses to real property (physical structures) identified by FEMA upon inspection. As noted in Table 12, each county has a different number of homes inspected by FEMA. Inspection rates were higher for Hurricane Hermine than Hurricane Matthew. In some instances inspection rates, or the number of applicant homes visited by FEMA were less than 50 percent.

After review of the updated FEMA, SBA and NFIP data, as well as current data from FEMA online about renter and homeowner applicants, Table 12 has been updated to reflect a remaining net unmet need of \$192.4 million. The original table used all applicants whereas the more current, online FEMA data shown below uses verified applicants.

TABLE 12: FEMA IA APPLICANTS IN THE FL HERMINE AND MATTHEW IA IMPACTED COUNTIES¹⁴

COUNTY	# OF APPLICANTS ¹⁵	NUMBER INSPECTED	NUMBER WITH INSPECTED DAMAGE	% WITH INSPECTED DAMAGE	NUMBER RECEIVING REPAIR ASSISTANCE	TOTAL FEMA VERIFIED LOSS AMOUNT	AVERAGE FEMA VERIFIED LOSS
Brevard	3,835	1,941	1,513	77.95%	358	\$1,357,095	\$3,791
Citrus	766	596	508	85.23%	332	\$4,275,360	\$12,878
Dixie	327	258	189	73.26%	145	\$1,353,992	\$9,338
Duval	3,437	1,510	1,288	85.30%	406	\$2,483,879	\$6,118
Flagler	3,696	1,243	1,016	81.74%	266	\$1,724,813	\$6,484
Hernando	254	199	173	86.93%	104	\$859,797	\$8,267
Hillsborough	171	132	87	65.91%	23	\$152,078	\$6,612
Indian River	413	258	209	81.01%	54	\$228,247	\$4,227
Leon	832	369	293	79.40%	111	\$562,950	\$5,072
Levy	290	211	156	73.93%	95	\$877,753	\$9,240
Manatee	102	82	62	75.61%	32	\$158,928	\$4,967
Nassau	463	220	166	75.45%	69	\$366,753	\$5,315
Pasco	661	559	491	87.84%	285	\$1,819,594	\$6,385
Pinellas	398	327	193	59.02%	56	\$274,693	\$4,905
Putnam	1,343	881	696	79.00%	289	\$1,197,437	\$4,143
Seminole	564	288	222	77.08%	42	\$115,475	\$2,749
St. Johns	3,642	2,356	2,062	87.52%	1,243	\$14,935,828	\$12,016
Taylor	251	194	146	75.26%	100	\$854,895	\$8,549
Volusia	13,026	6,058	5,180	85.51%	1,587	\$6,931,350	\$4,368
Wakulla	110	57	40	70.18%	16	\$66,019	\$4,126
TOTAL	34,581	17,739	14,690	78.16%	5,613	\$40,596,936	\$129,549

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¹⁴ <https://www.fema.gov/api/open/v1/HousingAssistanceOwners.csv>¹⁵ F EMA Individual Assistance Applicant Report - FIDA_28630_H3_4280_4283_3-23-2017

HOUSING UNMET NEED

HOUSING IMPACT METHODOLOGY

HUD calculates “unmet housing needs” as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA.

Because complete data sources are often difficult to obtain after a major disaster event, HUD stated that empirically justified calculations may be used to determine the average cost to fully repair a home. Generally, this is done by “using the average real property damage repair costs determined by the Small Business Administration for its disaster loan program for the subset of homes inspected by both SBA and FEMA. Because SBA is inspecting for full repair costs, it is presumed to reflect the full cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable.”²⁰

Previously approved impact assessment methodologies have utilized the SBA estimates of damage and repair needs, FEMA IA Housing Assistance data, and National Flood Insurance data in combination with each other to triangulate the real need as opposed to the FEMA estimated losses. Utilizing SBA loan values as an indicator of the amount of support any individual household will require to repair hurricane damages thus provides a more comprehensive look at recovery than simply looking at FEMA inspected damage. SBA sends “construction specialists” trained to evaluate the true cost of repairing or replacing a damaged structure to each applicant, returning a more solid estimate of recovery than original estimates from FEMA. Further accounting for under-representation of impacted populations stemming from FEMA ineligible applicants provides a more accurate picture of overall housing impact across a study area. The full extent of Hermine and Matthew’s housing impact is **more than \$600 million** when utilizing SBA verified losses in combination with estimates based on the average verified loss of \$33,963.

In an effort to more finely calibrate the impact amount, the housing impact for this needs assessment was calculated using only SBA data compared with FEMA applicant information. Here, we utilize the median SBA loan amount of **\$23,740** to account for outliers in the SBA data (a few very high and very low award amounts) that were impacting the average. When applied to the universe of FEMA applicants without a FVL, SBA applicants who were not approved, and FEMA data about the number of rentals with damages (2,482) this results in an adjusted housing impact of **\$490,745,997**. Twenty percent in additional resiliency costs were applied to account for the additional cost of compliance in coastal areas, for a total impact of **\$588,895,196**. After deducting the funds already provided by FEMA, SBA, NFIP and Public Housing Funds (**\$298,322,735**), the remaining unmet need for housing is approximately **\$230,907,914** (Table 23).

TABLE 23: SBA DERIVED IMPACTS AND UNMET NEEDS FOR HOUSING²¹

SMALL BUSINESS ADMINISTRATION VERIFIED LOSS OF ALL SBA APPLICANTS	
SBA applicants with a real estate verified loss	\$111,005,257
SBA applicants without a real estate verified loss (estimate)	\$64,905,160
Total verified loss of FEMA applicants referred to SBA (estimate)	\$175,910,417
ESTIMATED SMALL BUSINESS ADMINISTRATION VERIFIED LOSS OF FEMA APPLICANTS NOT REFERRED TO SBA	
Total FEMA applicants with FEMA inspected damage	16,877
Total SBA applicants	6,144
Potential unmet need population	10,733
Median verified loss	\$23,740
Verified loss of FEMA applicants not referred to SBA (estimate)	\$254,801,420
Total verified	\$430,711,837
ESTIMATED SMALL BUSINESS ADMINISTRATION VERIFIED LOSS OF RENTAL PROPERTY OWNERS	
FEMA renter applicants with personal property damage	2,482
Median verified loss	\$23,740
Total verified loss of rental property owners (estimated)	\$58,922,680
OTHER HOUSING DAMAGE ESTIMATES	
Real estate damage to public housing	\$1,111,480
Total housing verified loss	\$490,745,997
Accounting for 20% resilience addition	\$588,895,196
DUPLICATION OF BENEFITS	
FEMA repair payments	\$13,311,524
SBA home loan current real estate payments	\$59,548,800
SBA business loan payments to landlords	\$5,237,700
NFIP building payments	\$220,154,711
Public housing funds	\$70,000
Total benefit	\$298,322,735
Total unmet housing need	\$192,423,262
Accounting for 20% resilience addition	\$230,907,914

²¹ Values from SBA Home Loan Report, FEMA Individual Assistance Data, Survey of 62 Public Housing Authorities across declared region, and National Flood Insurance Program.

2. CONNECTION BETWEEN NEEDS AND ALLOCATION OF FUNDS

Federal Register volume 81, Number 224 dated November 21, 2016 states:

"Grantees must propose an allocation of CDBG-DR funds that primarily considers and addresses unmet housing needs. Grantees may also allocate funds for economic revitalization and infrastructure activities, but in doing so, must identify how any remaining unmet housing needs will be addressed or how its economic revitalization and infrastructure activities will contribute to the long-term recovery and restoration of housing in the most impacted and distressed areas."

The programs and funding outlined in this Action Plan were informed by the findings of the Unmet Needs Assessment, as required by HUD. As outlined in the Assessment, the largest portion of unmet need resulting from Hurricanes Hermine and Matthew is in the Housing sector, particularly in the single-family market.

Therefore, in compliance with the housing-emphasis required by the Register and informed by the Unmet Needs Assessment, the allocation of CDBG-DR program funds primarily considers and addresses unmet housing needs. Any economic revitalization and infrastructure activities approved by DEO will have documented contribution to the long-term recovery and restoration of housing in the Most Impacted and Distressed areas.

Federal Register volume 82, Number 150 dated August 7, 2017 states:

"Grantee must consult with affected citizens, stakeholders, local governments and public housing authorities to determine updates to its needs assessment."

The programs and funding outlined in this Substantial Amendment to Florida's approved Action Plan have been revised to reflect new figures obtained through an updated needs assessment conducted in compliance with this requirement.

3. PUBLIC HOUSING, AFFORDABLE HOUSING, AND HOUSING FOR VULNERABLE POPULATIONS

PUBLIC HOUSING

DEO consulted with Public Housing Authorities (PHA) and agencies dedicated to serving vulnerable populations as part of the Action Plan development. The state developed and distributed a PHA disaster-impact survey to all Authorities in the declared region³⁵. The survey requested information on any storm-related damage to units, funds received for assistance, the number of units impacted, and information on whether any residents were displaced due to the hurricane events. The PHAs were also provided an opportunity to provide comments or additional information as desired. DEO received 14 responses, indicating disaster-related impact to 128 public housing units and no remaining displacement³⁶. Of the damaged units, 127 units are in Volusia County, and one unit is in Levy County. The Housing Authority of the City of New Smyrna Beach, which reported damage to 126 units, estimated an impact of over \$1.1 million and that they are awaiting funding from FEMA and other sources. The PHAs were also invited to the Stakeholder Session for public comment on the proposed Action Plan. Accordingly, it is possible that CDBG-DR funds may be used for the rehabilitation, mitigation, or new construction of PHAs once other funding streams are fully exhausted.

³⁵ The survey was sent to 62 PHAs in the FEMA declared counties.

³⁶ The 128 units were reported from the Housing Authority of the City of New Smyrna Beach (126), North Central Florida Regional Housing Authority (1), and Ormond Beach Housing Authority (1)

14. METHOD OF DISTRIBUTION

Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of housing, infrastructure, and economic revitalization in the impacted and distressed Florida counties resulting from Hurricane Hermine and Hurricane Matthew as declared in DR-4280 and DR-4283. In order to prioritize limited funding in areas with highest damage, DEO disaster recovery program assistance outlined in this Action Plan will be limited to counties (and municipalities within those counties) that received FEMA Individual Assistance (IA) declarations in addition to their Public Assistance (PA) declaration.

DECLARED COUNTIES RECEIVING FEMA IA					
PDD 4283 – HURRICANE MATTHEW			PDD 4280- HURRICANE HERMINE		
Duval	Flagler	Volusia	Hillsborough	Wakulla	Leon
Indian River	Nassau		Levy	Citrus	Manatee
Seminole	Putnam		Pinellas	Dixie	Pasco
Brevard	St. Johns		Taylor	Hernando	

As required by the Federal Registers, Vol. 81, No. 224, Monday, November 21, 2016, Vol. 82, No.11, Wednesday, January 18, 2017 and Vol 82, No. 150, August 7, 2017, DEO will use 80 percent of the allocation to address unmet needs within the HUD-identified 'Most Impacted and Distressed' (MID) areas. This 80 percent MID area is currently limited to St. Johns County and the jurisdictions within the county. However, DEO may continue to review Unmet Needs data to assess whether additional county areas demonstrate sufficient need to warrant proposal to HUD for inclusion in the 80 percent MID allocation. Should such a proposal be made by DEO and approved by HUD, changes to the Action Plan would be amended through the substantial amendment process. If more than one county is designated as being Most Impacted and Distressed, the 80 percent will be further allocated as described in the substantial amendment.

DEO will ensure, as is required and identified in the Federal Register, that at least 70 percent of the entire CDBG Disaster Recovery grant award will be used for activities that benefit low- and moderate-income persons.

PROGRAM BUDGET

DEO is the lead agency and responsible entity for administering \$117,937,000 in Community Development Block Grant Disaster Recovery (CDBG-DR) funds allocated to the state for recovery. In accordance with the Register, DEO's aggregate total for indirect costs, administrative and technical assistance expenditures will not exceed five percent of the total grant (\$5,896,850) 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 20 percent cap are those defined in 42 U.S.C. 5305(a)(12). State and local administration are capped at 5 percent in aggregate by federal regulations. The state may provide additional guidance to jurisdictions through the application process regarding the amount of administrative funds available to awardees. Eligible project delivery costs are presumed included in the grant award amounts, as applicable.

The program budget is outlined as follows:

SUMMARY OF IMPACTS/SUPPORT	GENERAL HOUSING ACTIVITY	AFFORDABLE RENTAL ⁴⁶	NON-HOUSING OR ADDITIONAL HOUSING	SUB-TOTAL
80% HUD Defined Most Impacted and Distressed (MID)	\$58,882,951	\$5,377,927	\$31,371,242	\$89,632,120
20% Other Most Impacted and Distressed (MID)	\$13,220,738	\$1,344,482	\$7,842,811	\$22,408,030
State & Local Administration ⁴⁷				\$5,896,850
TOTAL	\$66,103,689	\$6,722,409	\$39,214,053	\$117,937,000

⁴⁶ Affordable rental projects have tenant income requirements and rent restrictions in order to qualify.

⁴⁷ State and local administration are capped at 5% in aggregate by federal regulations. The State may provide additional guidance to jurisdictions through the application process regarding the amount of administrative funds available to awardees. Eligible project delivery costs

HURRICANE IRMA

Hurricane Irma made landfall in the State of Florida on September 10, 2017 causing significant damage to the Florida Keys and peninsula of the state. This has resulted in the exacerbation of impacts in some communities that were also hit by Hurricanes Hermine and Matthew. Almost all communities that received a Public Assistance (PA) and Individual Assistance (IA) declaration in 2016 received a 2017 declaration for Hurricane Irma. This includes:

1. Brevard
2. Citrus
3. Dixie
4. Duval
5. Flagler
6. Hernando
7. Hillsborough
8. Indian River
9. Levy
10. Manatee
11. Nassau
12. Pasco
13. Pinellas
14. Putnam
15. Seminole
16. St. Johns
17. Volusia

In many of these communities it will be difficult, if not impossible to delineate impacts from these three distinct storms. Therefore, in the communities listed above, Florida will consider any eligible projects that address unmet need from Hurricanes Hermine, Matthew or Irma. As with all proposed projects, communities will have to document that there will be no duplication of benefits. This is especially important in areas that may receive additional federal assistance to address Irma-related impacts.

Jurisdictions from each of the budget areas (80 percent MID or 20 percent MID) will select projects to propose to DEO for funding in accordance with DEO thresholds and criteria. DEO will execute contracts with awarded jurisdictions, including municipalities within counties that receive a separate award. In other words, municipalities may apply directly to DEO and will be contracted with directly, if awarded.

Non-entitlement municipalities may choose to submit projects to DEO through their county. In these instances, the partnering jurisdictions must submit an executed agreement to DEO with their application. The county will be the awardee and no further pass-through will be allowed. DEO may consider requests from entitlement jurisdictions to apply through their county for efficiency or capacity purposes, however the county will be the awardee and no further pass-through will be allowed.

DEO will implement program management, monitoring, and oversight standards necessary to ensure compliance with state and federal requirements.

DEO PROGRAM OVERSIGHT, MONITORING, COMPLIANCE	
APPROXIMATELY \$89.6 MILLION	APPROXIMATELY \$22.4 MILLION
80% MOST IMPACTED DISTRESSED AREA	20% MOST IMPACTED DISTRESSED AREA
<ul style="list-style-type: none">• Jurisdictions submit projects or programs to DEO for ranking & funding• Awarded jurisdictions implement projects under DEO oversight	<ul style="list-style-type: none">• Jurisdictions submit projects or programs to DEO for ranking & funding• Awarded jurisdiction implement projects under DEO oversight

15. BASIS FOR ALLOCATIONS

In consideration of the Unmet Needs Assessment and HUD requirements, in order to prioritize limited funding in areas with highest damage, DEO disaster recovery program assistance outlined in this Action Plan will be limited to counties (and cities within those counties) that received FEMA Individual Assistance (IA) declarations in addition to their Public Assistance (PA) declaration. Program thresholds outlined in Section 16 state that projects or programs must primarily support LMI housing.

The Unmet Needs Analysis identified that approximately 68 percent of the Unmet Need is in the housing sector, 25 percent in infrastructure, and the remainder in the economic sector. The MOD budget categories are closely aligned with the Unmet Needs Analysis, with approximately 65 percent of the funds allocated towards housing (59% General Housing and 6% Affordable Rental). Approximately 35 percent of program funds may be used for infrastructure in support of LMI housing, economic recovery, or other eligible activities, including additional housing needs.

Updated needs assessment continues to support the percentages listed above regarding allocation of funds to support remaining unmet needs.

METHOD OF DISTRIBUTION – BUDGET CATEGORIES

59%

General Housing Activities

6%

Affordable Rental

35%

Non-Housing or Additional Housing

16. PROGRAM DETAILS

ELIGIBLE ACTIVITIES

Units of General Local Government, referred to as jurisdictions throughout this Action Plan, 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 the hurricane event (Hermine or Matthew).
- Projects must not duplicate benefits.

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

- Projects must primarily address unmet housing needs.
- Projects must primarily serve LMI populations.
- Projects for infrastructure must support LMI housing.

As with all proposed projects, communities will have to document that there will be no duplication of benefits. This is especially important in areas that may receive additional federal assistance to address Irma-related impacts.

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

Each project approved for a subrecipient will be subject to the grant minimum and maximum amounts, subject to the extent of funds available. The \$750,000 minimum applies to subrecipients and projects. The county may submit a smaller project to DEO for consideration as a special request, but is encouraged to couple the project with a similar project (for beneficiary population and activity type) to ensure effective use of grant funds. In the competitive allocation (20%), the minimum and maximum cumulatively apply to one county so that DEO may ensure that the funding is distributed throughout the impacted area.

Minimum Award Amount will be: \$750,000

Maximum Award Amount will be:

- (80% MID area) Entire allocation available to local government
(20% MID area) 3,000,000

DEO will potentially utilize all three national objectives to carry out all programs under this allocation. Only mitigation measures related to repairing damage caused by the declared hurricane events will be considered for funding.

RANKING CRITERIA

Projects proposed for funding to DEO will be ranked for funding in order of the following criteria:

i. Overall LMI benefit (Percent LMI benefit of the activity) – 50%

1. Higher LMI benefit of the activity will receive higher ranking. For example, a project with 100% LMI benefit would be ranked higher than a project with 65% LMI benefit.

ii. Cost-benefit (cost per beneficiary) – 30%

1. Lower cost per beneficiary will receive higher ranking.

iii. Vulnerable Populations – 20%

Applications which address the following vulnerable populations will receive higher ranking. [Note: This includes non-housing services such as infrastructure, public facilities, economic development, etc. that provide benefit to these vulnerable populations]

1. the transitional housing, permanent supportive housing, and permanent housing needs of individuals and families that are homeless and at-risk of homelessness;
2. the prevention of low-income individuals and families with children (especially those with incomes below 30 percent of the area median) from becoming homeless;
3. the special needs of persons who are not homeless but require supportive housing (e.g., elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents, as identified in 24 CFR 91.315(e))

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 amount of CDBG-DR funds that may be contributed to a USACE project is \$250,000 or less. Note that the Appropriations Act prohibits supplanting the use of CDBG-DR funds for any activity reimbursable by, or for which funds are also made available, by FEMA or USACE.

INELIGIBLE ACTIVITIES

Ineligible activities identified in the Federal Register, Vol. 81, No. 224, Monday, November 21, 2016, include the use of CDBG-DR for forced mortgage payoff, construction of a dam/levee beyond original footprint, assistance to privately owned utilities, not prioritizing assistance to businesses that meet the definition of a small business, or assistance for second homes and activities identified in 24 CFR 570.207. All activities and uses authorized under Title I of the Housing and Community Development Act of 1974, allowed by waiver, or published in the Federal Register, Vol. 81, No. 224, Monday, November 21, 2016, are eligible.

17. CRITERIA TO DETERMINE METHOD OF DISTRIBUTION

FOR THE 80 PERCENT MOST IMPACTED AND DISTRESSED AREAS (ST. JOHNS COUNTY)

The area designated by HUD to be the Most Impacted and Distressed (MID) will be allocated 80 percent of Florida's CDBG-DR Allocation from HUD. This 80 percent MID area is currently limited to St. Johns County and the jurisdictions within the county. However, DEO may continue to review Unmet Needs data to assess whether additional county areas demonstrate sufficient need to warrant proposal to HUD for inclusion in the 80 percent MID allocation. Should such a proposal be made by DEO and approved by HUD, changes to the Action Plan would be amended through the substantial amendment process. If more than one county is designated as being Most Impacted and Distressed, the 80 percent will be further allocated as described in the substantial amendment.

Each designated county will work with its municipalities and other respective partners to package projects for DEO to review for eligibility and consistency with the Federal Register Notice and CDBG-DR regulations. Those projects deemed eligible will be funded through subgrant agreements with the counties for projects proposed in unincorporated areas and with municipalities for projects proposed within eligible incorporated areas. Non-entitlement jurisdictions may partner with their county as outlined in Section 14. The grant period for awardees will be 24-months **unless otherwise extended by DEO after review of justification for the extension from the subgrantee.** Funds that remain unexpended after the 24-month CDBG-DR agreement period **may be subject to reallocation to other projects within the MID area.** Proposed projects must meet the thresholds **and must support the objectives outlined in Section 16 of this plan, and will be weighted and ranked in accordance with the criteria, also outlined in Section 16 of this plan and will be weighted and ranked in accordance with the criteria in Section 16.**

FOR THE 20 PERCENT MOST IMPACTED AND DISTRESSED AREAS

Communities not designated as the HUD Most Impacted and Distressed counties, but that are a part of the 20 percent Other Most Impacted and Distressed counties, will be able to receive CDBG-DR assistance through a competitive application process. In other words, cities and counties listed in the FEMA IA declared county table in Section 14, apart from St. Johns and its jurisdictions, may submit proposed projects. Proposed projects must meet the thresholds **and must support the objectives outlined in Section 16 of this plan and will be weighted and ranked in accordance with the criteria, also outlined in Section 16.** The grant period for awardees will be 24-months **unless otherwise extended by DEO after review of justification for the extension from the subgrantee.** Funds that remain unexpended after the 24-month CDBG-DR agreement period **may be subject to reallocation to other projects.**

Summary of Public Comments Received During the Action Plan Substantial Amendment 1 Comment Period

1. Received on November 8, 2017 from Brevard County:

I went and reviewed the Substantial Amendment (SA) and I am a little confused about the unmet need number for Brevard County. When we spoke I was under the impression that you had a figure of almost \$28 million for Brevard's unmet need (based upon data/documents from FEMA), but if I am reading the SA correctly it is notated at about \$780K. Which is it? I didn't provide more information regarding specific projects because you said you had the data. Any information or clarification would be appreciated.

DEO Response: DEO apologizes for any confusion on the unmet need number for Brevard County and cannot find any documentation to support a figure of almost \$28 million in the original action plan or substantial amendment. DEO continues to be willing to consider any additional data related to unmet needs in Brevard County.

2. Received on October 31, 2017 from Monroe County:

I am a Senior Administrator in Monroe County's (FL) Floodplain Program, and I have been tasked with researching what steps the County, on its own, can take to 1) help bolster the case for, and the amount of, CDBG Funds prioritized for Florida as a result of Hurricane Irma, and 2) begin preparing the required documents/plans that will ultimately be required to receive those funds (assuming they are approved).

Are there any resources you can direct our way so that we can begin this important task?

DEO Response: The Monroe County comment was sent to DEO Senior Staff for response since it was related to Hurricane Irma.

3. Received on October 25, 2017 from a citizen in Fernandina Beach, Nassau County:

I was referred to your agency for possible assistance. We sustained quite a bit of damage to our home and lost our only vehicle as the effects of the storm. Due to personal reasons out of our control there was no insurance in the property. I have exhausted my resources as far as refinancing, home equity loans, personal loans as my credit has dropped substantially as I own my own business and lost everything.

I am sure this is probably another strike out but it can't hurt to ask for help before myself and my family end up homeless. I am desperate I just found temporary work but we do not have public transportation here and I cannot afford a taxi. I will hope to hear back from you with some guidance on how to get assistance in our desperate time of need.

DEO Response: DEO staff referred them to the Florida Department of Emergency Management (FDEM) hurricane-related assistance website and also provided contact information for the director's office of Nassau County Emergency Management, copying the director. His assistant replied to the email and said she would contact the citizen and also give them information for financial assistance from Catholic Charities in Yulee/Nassau County.

4. Received on October 25, 2017 from a citizen in Volusia County:

Email inquiry in Spanish was received from a Volusia County resident asking where to apply or call for assistance with a damaged roof.

DEO Response: DEO staff sent her a reply in Spanish directing her to FDEM hurricane-related assistance website and also provided contact information for the director's office of Volusia County Emergency Management, copying the director.