

Non-Substantial Amendment 3, Effective 11/17/2021

Previous Page #	New Page #	Section	Change/Addition/Deletion
4	N/A	II. General Action Plan Requirements	Removed the phrase “unless local governments have established longer affordability periods” from the second bulleted item.
11	N/A	III. Projects and Activities	<p>Added budget breakdown of the Housing Repair and Replacement Program (HRRP) to show funding allocated to both Single-Family and Multi-Family HRRP projects</p> <p>Updated Housing Repair and Replacement Program Total and 80%/20% budget breakdown to reflect a reallocation total of \$25,234,271. This funding came from the Voluntary Home Buyout Program (\$6,250,795), Hometown Revitalization Program (\$1,495,305), Workforce Recovery Training Program (\$3,277,110.5), and Planning budget(\$14,211,060) and was reallocated to the Housing Repair and Replacement Program.</p> <p>Removed footnote following “General Infrastructure Program” to reflect the increase in funding for the Calhoun Liberty Hospital project activity</p> <p>Added budget breakdown of the Infrastructure Total to show the amount of Infrastructure funding allocated to the General Infrastructure Program, Hazard Mitigation Grant Program, and Calhoun Liberty Hospital project activity.</p> <p>Updated program budget table to reflect the reallocation of \$8,700,000 from Voluntary Home Buyout to the Calhoun Liberty Hospital project activity</p>
N/A	12	III. Projects and Activities	Inserted Amended program budget table to show the history of reallocations of funds.
14	15	III. Projects and Activities	Rephrased final bullet point under “Cost Verification” to state that homes requiring elevation above three (3) feet will be replaced with a stick-built home.
15	16	III. Projects and Activities	Clarified language in subheading “Housing Repair and Replacement Program” regarding applicable occupancy periods and affordability requirements.
19	20	III. Projects and Activities	<p>Added clarifying language stating that an applicant must be deemed eligible for the language following to apply.</p> <p>Corrected an error where text stated that an award may also include assistance to pay for up “the first two years” of flood insurance premiums to state “the first year.” This correction ensures the program is in compliance with HUD as well as program guidelines that state “one year.”</p>

			Edited language under “ <u>Mobile Homes and Manufactured Homes</u> ” regarding eligibility criteria for MHU repair vs replacement determination based on cost of repairs
19	20-21	III. Projects and Activities	Replaced “The home” with “The replacement, rehabilitation, and reconstruction” Replaced “site built or modular units” with “stick-built homes” Removed sentence stating that “offsite replacements to more safe and secure environments will be considered on a case-by-case basis.” Further information on case-by-case exceptions will be provided in program guidelines.
N/A	21-22	III. Projects and Activities	Inserted “Affordability periods,” and “Affordable Rent” subsections previously found on page 27 under Voluntary Home Buyout, in error. Minor edits were made to this text along with its relocation, including: <ul style="list-style-type: none"> • “affordability period” was changed to occupancy period” for clarity • The phrase “unless local governments have established a longer affordability period” was removed from the affordability periods chart. Inserted information on Recapture
25	26-27	III. Projects and Activities	Separated existing Voluntary Home Buyout language into paragraphs for clarity.
26	28	III. Projects and Activities	Separated existing Voluntary Home Buyout language into paragraphs for clarity. Edited language stating that DEO will offer homeowners the pre-storm appraisal to read <i>post</i> -storm appraisal value.
27	29	III. Projects and Activities	Updated Voluntary Home Buyout Allocation to reflect reallocation of funds to General Infrastructure Program Removed “Affordability Periods” and “Affordable Rent” subsections. These sections have been moved to pages 20-21 under Housing Repair and Replacement Program
N/A	30-31	III. Projects and Activities	Updated Hometown Revitalization Program to Reflect reallocation of funds to Housing Repair and Replacement Program Updated Workforce Recovery Training Program Training Program to reflect reallocation of funds to Housing Repair and Replacement Program
33	35	III. Projects and Activities	Updated Calhoun-Liberty Hospital Allocation for Activity to reflect reallocation of funds.

			Updated language to state that DEO will administer funds for the Use of CDBG-DR as Hazard Mitigation Grant Program Match
34	36	III. Projects and Activities	Updated language on where applicants are to submit applications
35	37	III. Projects and Activities	Updated Responsible Entity for Administering to DEO as the Florida Division of Emergency Management is no longer the Responsible Entity
N/A	163	APPENDICES AND SUPPORTING DOCUMENTATION	Inserted Appendix 5. Projected Expenditures

II. GENERAL ACTION PLAN REQUIREMENTS

Consistent with the goals and objectives of activities assisted under the Housing and Community Development Act of 1974, DEO will take the following steps to minimize the direct and indirect displacement of persons from their homes: (DEO will determine the full list of actions it will take based on local needs and priorities and will develop the Residential Anti-displacement and Relocation Assistance Plan (RARAP) at a later date in accordance with the [HUD Handbook 1378: Tenant Assistance, Relocation and Real Property Acquisition](#).)

- Arrange for facilities to house persons who must be relocated temporarily during rehabilitation;
- The affordability periods for single family rental units will be a minimum of five years;
- Ensuring that rehabilitated or reconstructed multifamily rental housing with eight or more units remains affordable for a minimum of 15 years; and
- Where feasible, rehabilitate housing, as opposed to demolition, to avoid displacement.

4. Maximum Assistance and Cost Reasonableness Assessment

DEO follows a cost analysis process as part of standard contracting procedures, which includes a review of each cost element to determine allowability, reasonableness and necessity. Maximum assistance available to housing beneficiaries, as well as cost-effectiveness relative to other means of assistance, will be outlined in the DEO Disaster Recovery Program Housing Guidelines. Maximum assistance per beneficiary for infrastructure will be set by the applicant jurisdictions as part of the project submittal to DEO and will be considered by DEO upon review.

Additionally, the Florida State Housing Initiatives Partnership program (SHIP), provides funds to local governments as an incentive to create partnerships that produce and preserve affordable homeownership and multifamily housing. Many local governments have participated in the program and have established local housing assistance plans, which include items such as housing incentive strategies, local policies to implement the incentive strategies and partnerships to reduce housing costs. To ensure that housing assistance amounts are cost reasonable, the maximum amount of CDBG-DR assistance available for any single housing unit under Hurricane Michael recovery programs is \$350,000. In cases of demonstrable hardship or where local housing markets warrant an increase of the cap, beneficiaries may propose an alternative cap to DEO for review and approval. An increased cap may also be used to provide funding for difficult or unexpected repairs above and beyond the housing caps. DEO will establish methods of cost reasonableness by conducting research on the services sought and procured. DEO will consult industry accepted trade organizations, past programs and other regional grantees for input on costs for services being procured.

DEO will define “demonstrable hardship” as exceptions to program policies for applicants who demonstrate undue hardship. Applicants in this situation will be reviewed on a case by case basis by the DEO Policy Exceptions Review Panel to determine whether assistance is required to alleviate such hardship. Demonstrable hardship may include, but is not limited to, excessive amounts of debt due to a natural disaster, disability, etc. With documentation, DEO may allow for persons with disabilities to exceed the \$350,000 cap on a case by case basis and if cost reasonable.

The policy exception process is detailed in the Hurricane Michael policies and procedures manual. The DEO Policy Exceptions Review Panel can only review and allow/refuse alternate documentation supporting eligibility or award issues. The panel cannot circumvent program policy or requirements and therefore, any file submitted where policy clearly addresses the issue raised will be rejected by the DEO Policy Exceptions Review Panel.

III. PROJECTS AND ACTIVITIES

The program budget outlined is as follows:

Table 1: Program Budget

Program	Total Budget	80%	20%	Estimated LMI Benefit	Max Award per unit	Estimated Unit Benefit
Housing Activities						
Housing Repair and Replacement Program (Total)	\$271,497,415.00	\$217,197,932	\$54,299,483	90%	\$ 350,000	6,743
Voluntary Home Buyout Program	\$12,411,777	\$9,929,421.60	\$2,482,355.40	100%	\$ 5,000,000	205
Economic Revitalization						
Hometown Revitalization Program	\$58,911,124	\$47,128,899.20	\$11,782,224.80	70%	\$ 15,000,000	N/A
Workforce Recovery Training Program	\$4,722,889.00	\$3,778,311.20	\$944,577.80	70%	\$ 3,000,000	N/A
Infrastructure						
Infrastructure (Total)	\$ 350,732,145	\$280,585,716	\$70,146,429	70%	N/A	N/A
General Infrastructure Program	\$223,032,145	\$178,425,716	\$44,606,429			
Hazard Mitigation Grant Program	\$109,000,000	\$87,200,000	\$21,800,000			
Calhoun-Liberty Hospital	\$ 18,700,000	N/A	N/A		N/A	N/A
Administrative and Planning Costs						
Administration	\$ 35,777,650	\$ 28,622,120	\$ 7,155,530	N/A	N/A	N/A
Technical Assistance	\$ 1,000,000	\$ 800,000	\$ 200,000	N/A	\$ 100,000	N/A
Planning	\$500,000	\$400,000	\$100,000	N/A	N/A	N/A
Total	\$ 735,553,000	\$ 588,442,400	\$ 147,110,600			

III. PROJECTS AND ACTIVITIES

Program Activity	June 26, 2020 Program Budget	November 17, 2021 Amended Program Budget	Amount Adjusted
Housing Repair and Replacement Program	\$ 246,263,144	\$ 271,497,415.00	+\$25,234,271
Voluntary Home Buyout Program	\$ 27,362,572	\$12,411,777.00	-\$14,950,795
Hometown Revitalization Program	\$ 60,406,429	\$58,911,124.00	-\$1,495,305
Workforce Recovery Training	\$ 8,000,000	\$ 4,722,889.00	-\$3,277,111.00
Infrastructure Program	\$ 342,032,145	\$350,732,145.00	+\$8,700,000
Administration (5%)	\$ 35,777,650	\$35,777,650.00	-
Technical Assistance	\$ 1,000,000	\$1,000,000.00	-
Planning (5%)	\$ 14,711,060	\$500,000.00	-\$14,211,060
Total	\$ 735,553,000	\$735,553,000.00	-

replacement house will be limited to reconstruction or replacement as a more cost reasonable option. Situations where replacement, reconstruction and/or elevation will be required include, but are not limited to:

- Homes that have already been demolished may be replaced or reconstructed;
- Homes that are condemned (red tagged) by the local jurisdiction may be replaced or reconstructed;
- Homes that are structurally unsafe or that have other conditions that make interior inspection by program staff unsafe or impossible may be replaced or reconstructed;
- As stated in the State Action Plan, repair of a Mobile/Manufactured Housing Unit (MHU) greater than five years old and/or with more than \$15,000 worth of Hurricane Michael repairs is not feasible and replacement is warranted
- If a local jurisdiction has issued a substantial damage determination for a home located inside the 100-year floodplain, the home will be reconstructed and elevated;
- If the local jurisdiction has issued a substantial improvement determination for a home located inside the 100-year floodplain, the home must be elevated;
- Slab-on-grade homes that require elevation will be reconstructed and elevated. Repair will not be an option; and
- Mobile home units that will require elevation in addition to the standard installation height will be replaced with a stick-build home elevated to program standards.

Rental properties with five or more units are considered multifamily projects. DEO will assess the entire project for cost-reasonableness to determine whether rehabilitation or reconstruction of the property is necessary. The property owner may be required to provide additional documentation such as disclosure of planned future development, along with cost projections, engineering reports or other documentation necessary to make this determination.

Cost-effectiveness will be considered for all residential rehabilitation, reconstruction and/or new construction housing projects of eight units or more. DEO and its recipients will establish policies and procedures to assess the cost-effectiveness of each proposed project undertaken to assist a household under any residential rehabilitation, reconstruction or new construction program. The policies and procedures will address criteria for determining when the cost of rehabilitation, reconstruction or new construction of the unit will not be cost-effective relative to other means of assisting the property. These policies and procedures will follow the Federal Register Vol. 83, No 157 regarding Rehabilitation and Reconstruction Cost-Effectiveness.

Housing Repair and Replacement Program

The Housing Repair and Replacement Program (HRRP) is a centralized housing rehabilitation, reconstruction or replacement program for low-to-moderate income (LMI) families impacted by Hurricane Michael. DEO will manage and complete the construction process for the rehabilitation or reconstruction of damaged homes on behalf of eligible applicants. With the assistance of staff and vendors, the state will work with a pool of qualified contractors assigned to repair, reconstruct or replace damaged properties. The program will pay contractors directly and no funds will be paid to homeowners. Applicants will not select their own contractors. Applicants will be required to enter into agreements with the state setting forth the terms and conditions of the program. This program is open to homeowners and

owners of rental properties with the condition that it is agreed upon to meet applicable occupancy periods or affordability requirements, respectively. If currently occupied, tenants will have the opportunity to move back into the unit or units created with other CDBG-DR activities.

DEO proposes the following housing assistance activities under this program:

- Repairs to, reconstruction or replacement of housing units damaged by Hurricane Michael, which may include bringing the home into code compliance and mitigation against future storm impacts, including elevation;
- The completion of work to homes that have been partially repaired;
- Repairs to, or replacement of, manufactured, modular and mobile homes impacted by Hurricane Michael;
- Temporary Housing Assistance based on an individual homeowner’s needs and their participation in the HRRP;
- Temporary Housing Assistance based on individual tenant needs and their participation in the HRRP;*
- Title Assistance based on an individual homeowner’s needs and their participation in the HRRP;
- Acquisition of substantially-damaged housing units for housing redevelopment or buyouts of substantially-damaged properties may also be considered.

* The state plans to minimize displacement of persons or entities and assist those displaced as a result of implementing a project with CDBG-DR funds. Should any projects cause displacement, DEO will follow the Uniform Relocation Act (URA) and the Real Property Acquisition Policies Act to ensure tenants are relocated to safe and sanitary locations. The state’s policies and procedures plan, which will be updated to reflect Hurricane Michael activities, will ensure that subrecipients will minimize displacement. In the event of a voluntary buyout, when homeowners or tenants are located in a flood plain to prevent future loss, DEO will require subrecipients to develop policies and procedures to make sure this population is relocated into areas outside of floodplain and will receive full benefits as stated in the URA. The URA provides at 49 CFR 24.402(b) that a displaced person is eligible to receive a rental assistance payment that covers a period of 42 months.

In the event that a homeowner requests housing counseling services or displaced tenants wish to become homeowners, housing counseling services will be made available by a HUD-certified housing counseling agency. DEO will contact Housing Counseling Service Agencies to coordinate on this portion of the State Action Plan.

The HRRP requires applicants to be the primary resident homeowners or property owners of rental property at the time Hurricane Michael made landfall. HUD’s regulations, regarding the use of funding for Hurricane Michael recovery, state an alternative requirement for housing rehabilitation which prohibits housing rehabilitation assistance for second homes. HUD is instituting an alternative requirement to the rehabilitation provisions at 42 U.S.C. 5305(a)(4) as follows: Properties that served as second homes at the time of the disaster, or following the disaster, are not eligible for rehabilitation assistance or housing incentives. A second home is defined under this notice as a home that is not the primary residence of the owner, a tenant or any occupant at the time of the storm or at the time of application for assistance. DEO may adopt policies and procedures that provide for limited exceptions to providing assistance to a second home in order to meet specific disaster recovery needs (e.g., adding affordable housing capacity);

Housing assistance awards will be determined by first factoring in the inputs listed above and then deducting any Duplication of Benefits (DOB) or qualified offsets for eligible repairs already performed. The pre-determined program assistance amount will then be applied. Funds qualified as DOB may be required in support of the overall construction assistance provided. Awards may include expenses for additional related costs such as green building and mitigations requirements, elevation, insurance, ADA modifications, repair or replacement of water, sewer and utility connection needs.

Cost effective energy measures and improvements that meet local zoning and code, Decent Safe and Sanitary (DSS) or required Housing Quality Standards (HQS), especially those improvements which add enhanced resilience, such as elevation of major electrical components, roof strapping and other items are also eligible. Environmental review and determined required remediation for items such as lead-based paint abatement, asbestos abatement, or other remediation components shall also be eligible.

Elevations will be included for applicants that meet requirements determined by the program, including substantially damaged properties as per locally approved floodplain requirements. Elevation will be evaluated on a case by case basis. Elevations will not be conducted on properties outside of the floodplain, with the possible exception where elevation is required by local ordinance. DEO will follow HUD guidance to ensure all structures, defined at 44 CFR 59.1, designed principally for residential use and located in the one percent annual (or 100-year) floodplain, that receive assistance for new construction, repair of substantial damage or substantial improvement, as defined at 24 CFR 55.2(b)(10), will be elevated with the lowest floor at least two feet above the one percent annual floodplain elevation.

If located in a 100-year floodplain, and determined to be eligible per program guidelines, the applicant will be required to maintain flood insurance and notify future owners of flood insurance requirements. Federal law requires people who live in a floodplain to carry flood insurance in perpetuity on that property. The Robert T. Stafford Disaster Relief and Emergency Assistance Act prohibits the receipt of disaster assistance because of lack of required flood insurance; accordingly, whether a property is subject to this requirement will be reviewed during the eligibility phase of the program. If an applicant is eligible for program assistance, a grant agreement, covenant, deed restriction or similar instrument will be required to be placed on the property requiring that flood insurance be maintained on that property in perpetuity. An award may also include assistance to pay for up to the first year of flood insurance premiums for eligible program applicants. Such parameters to determine eligibility for assistance with flood insurance premiums shall be further defined in the state's policies and procedures.

Mobile Homes and Manufactured Homes

Mobile homes or manufactured homes may be eligible for replacement, rehabilitation, and reconstruction under this program. To be cost effective, the mobile home to be rehabilitated must be no more than five years old at the time of assistance and the repair costs necessary to rehabilitate the mobile/manufactured home must not exceed \$15,000 (hard and soft construction costs). Any mobile/manufactured home that is older than five years old or has an estimated repair cost greater than \$15,000 shall require the mobile/manufactured home to be replaced with another mobile/manufactured home.

An exception to this eligibility requirement may occur in the case that the MHU is located within a floodplain and requires to be elevated more than three feet. In this case, the applicant may be eligible for a reconstructed stick-built home if the applicant is the owner of the property where the MHU is located and elevation and reconstruction is allowable by local code and zoning.

The replacement, rehabilitation, and reconstruction must meet HQS upon completion. If local zoning disallows replacement of a mobile home, then DEO will allow code compliant stick-built homes.

Replacement is the demolition, removal and replacement of a damaged MHU with a new MHU in substantially the same footprint or at a new location if the original damaged unit was on leased land and the MHU owner must relocate to a new property. Relocation of a new MHU will require additional environmental review.

Summary Eligibility Requirements

The HRRP will serve primary resident homeowners and owners of rental property in HUD and state-identified MID counties. Property owners must prove Hurricane Michael storm damage to qualify for repair, reconstruction or replacement assistance. The following additional eligibility criteria apply:

1. Home was impacted by Michael (DR-4339). The property must have documented unrepaired damage as a result of the declared disaster. Home repair needs will be documented by FEMA, SBA and/or a privately contracted inspection.
2. The state will prioritize homeowner applicants earning less than or equal to 80 percent AMI and rental property owners whose rental property serves LMI individuals. If this need is fulfilled, DEO may address applicants earning greater than 80 percent AMI.
3. All applicants must own a single-family home, mobile/manufactured home or rental property located within Bay, Calhoun, Gulf and Jackson counties; and the counties in which the six designated zip codes reside (32321 in Liberty County, 32327 in Wakulla County, 32328 in Franklin County, 32346 in Wakulla and Franklin counties, 32351 in Gadsden County and 32428 in Washington County) prior to the Michael storm event. Note that 80 percent of funding must be spent in the HUD-designated MID counties and ZIP codes. The remaining 20 percent of the funds may be spent outside of the MID-designated areas that also received a Presidential Disaster Declaration.
4. Households that make above 120 percent of the Area Median Income (AMI) will not be eligible for the HRRP

Accessibility/Disability Accommodations

Reasonable steps will be taken to accommodate accessibility and other special needs to ensure the placement is appropriate to the homeowner and the household members.

Affordability Periods

The Single Family Owner-Occupied Housing Program requires that homeowners must maintain ownership and occupancy for a three (3) year occupancy period after construction is completed.

Rental property owners, including Public Housing Authorities (PHAs) seeking assistance through the HRRP to repair or reconstruct rental housing units will be required to ensure the rental property is affordable for LMI tenants for a minimum period of time. The minimum required affordability time periods are:

Type of Project	Number of Units	Minimum Required Affordability
Multi-family	less than 8	5 years
	8 or more	15 years
Single Family	1 - 4	5 years

Affordable Rent

The Landlord will control and provide affordable rent in accordance with HUD guidelines, including but not limited to:

The affordability requirement requires the property owner to lease the units to LMI households earning 80 percent or less of the Average Median Income (AMI) and to lease the units at an affordable rent. Rent must comply with the maximum HUD HOME rent limits. The maximum HUD HOME rent limits are the lesser of:

- The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or
- A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the AMI, as determined by HUD, with adjustments for number of bedrooms in the unit. The HUD HOME rent limits will include average occupancy per unit and adjusted income assumptions.

Recapture

As a condition of receiving housing assistance provided through the CDBG-DR program, applicants must execute an interest-free promissory note, which will place a mortgage/lien on the property for the full amount of the assistance provided. If the applicant complies with the program requirements regarding residency in the home (homeowner occupied) or rental property affordability requirements (rental property owner), the promissory note will be deemed paid in full at the end of the lien period. If the applicant fails to comply with the program affordability requirements, the program will exercise its rights to enforce the terms of the mortgage/lien on the property to recapture the full amount of the assistance provided. The program’s policies will set forth the process the program will utilize to enforce the mortgage/lien.

Allocation for Activity: \$271,497,415

Eligible Applicants: Homeowners and owners of rental properties, including Public Housing Authorities (PHAs), whose primary residence sustained damage from Hurricane Michael and property owners of rental housing, including private market units receiving project-based assistance or with tenants participating in the Section 8 Housing Choice Voucher Program.

Eligibility Criteria: The state will prioritize homeowner applicants earning less than or equal to 80 percent AMI and rental property owners whose rental property serves LMI individuals. If this need is fulfilled, DEO may address applicants earning greater than 80 percent AMI.

Homeowners with a combined household income greater than 120 percent AMI or the national median income are not eligible for assistance under the housing repair and replacement program.

Maximum Award (per unit): \$ 350,000*

**DEO may increase the \$350,000 cap if construction and elevation cost prove to be higher than originally estimated due to Hurricane Michael’s impact on the market.*

Responsible Entity for Administering: Florida Department of Economic Opportunity

Eligibility: 105(a)(4)

charitable organization that would cause a Duplication of Benefits (DOB).

3. If the homeowner received any legal assistance from another source, such as a non-profit organization or legal aid, the funding must have been exhausted prior to provision of CDBG-DR TAB funds.
4. 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.

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.

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 **current fair market** value of the home as appraised **post-storm**.

Additionally, DEO will establish policies on resettlement incentives. DEO’s policies will ensure that its resettlement incentives 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.

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: \$12,411,777

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 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

Proposed buyout areas will undergo a review of eligibility to ensure that the end use of the properties results in a project service area where at least 51 percent of the residents are LMI.

Creative compatible reuse of the property

DEO will create guidance and best practices for communities to consider on how property that is acquired through this program can be utilized for public benefit that meet HUD requirements for permanent green space. This may include creative storm water design, park space and other examples. Communities that participate in this program will be encouraged to have a plan for how this property will be used in the future to further reduce flood risk and/or serve as a recreational space for the public.

Recapture

As a condition of receiving housing assistance provided through the CDBG-DR program, applicants must execute an interest-free promissory note, which will place a mortgage/lien on the property for the full amount of the assistance provided. If the applicant complies with the program requirements regarding residency in the home (homeowner occupied) or rental property affordability requirements (rental property owner), the promissory note will be deemed paid in full at the end of the lien period. If the applicant fails to comply with the program affordability requirements, the program will exercise its rights to enforce the terms of the mortgage/lien on the property to recapture the full amount of the assistance provided. The program's policies will set forth the process the program will utilize to enforce the mortgage/lien.

Economic Revitalization Activities

Florida's housing programs will address the significant unmet need for housing recovery across the impacted areas. However, recovery for individuals and communities must include consideration of the businesses and jobs that provide services and employment. As recognized in the unmet needs assessment, businesses and local economies were significantly impacted by Hurricane Michael. Individuals whose jobs or businesses were impacted by the storm may have difficulty obtaining or retaining housing due to lost income. Further, it is anticipated that recovery and redevelopment needs will likely stress the current construction workforce, leading to the need for programs to support the growth of the skilled labor workforce required to sustain housing recovery activities. To ensure the complete recovery of communities, it is essential that the state of Florida supports businesses and the workforce through activities designed to address unmet economic recovery needs.

Florida will prioritize economic revitalization and public assistance activities that support job retention and creation, bolster LMI communities and activities that provide training and support services helping Floridians gain employment and remain employed. The two economic recovery programs described below are designed with the goal of long-term recovery for businesses, the workforce and the entire community.

To address these essential recovery needs, DEO will implement the following economic revitalization and public assistance programs:

- Workforce Recovery Training Program; and
- Hometown Revitalization Program

Workforce Recovery Training Program

Hurricane Michael had a significant impact on the housing supply, creating an increased demand for new construction and home repair activities, with additional impact on commercial construction and repair activities. By addressing the unmet needs in the construction trades, Florida can provide a new labor force to support the increased demands for post-disaster construction, as well as support Floridians looking for new employment in the post-disaster economy.

To ensure there are resources to support the remaining recovery needs, DEO will implement a workforce recovery training program that may include, but may not be limited to, the areas of:

- Roofing;
- Masonry;
- Carpentry;
- Concrete finishing;
- Plumbing;
- HVAC (heating, ventilation and air conditioning);
- Electricity;
- Heavy equipment operations;
- Flooring installation/Carpet laying;
- Glass / window installation;
- Plastering;
- Welding; and
- Customized training tailored to the specific economic revitalization needs of a particular region.

DEO will select entities to deliver workforce training services through a competitive application cycle. DEO will seek proposals from eligible Local Workforce Development Boards, educational institutions, and technical centers, who will describe the services they can provide in the impacted communities. **This program is not a direct grant program. No funds will be paid directly to individuals seeking job training.**

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

Criteria	Relative Importance
Type of training provided	High
Demographic need (LMI, historically underserved areas)	Medium
Career services	Medium
Support services provided	Medium
Graduate placement	Medium
Training timeframe	Low

Allocation for Activity: \$4,722,889

Eligible Subrecipients: Local Workforce Development Boards, educational institutions and technical centers

Maximum Award: \$3,000,000

Minimum Award: \$200,000

Responsible Entity for Administering: DEO, subrecipients

Eligibility: 105(a)(8)

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

Hometown Revitalization Program

Small businesses are the lifeblood of local economies throughout the state. This can include typical small shops and restaurants in communities’ commercial districts, often the central hub of small and rural communities. Wind and flood events can damage structures, destroying the physical location and causing significant financial loss. Impacts on specific businesses may filter throughout the commercial area, as a few businesses unable to reopen after the disaster may reduce visitors to the commercial district, which then impacts the viability of the remaining businesses. Supporting the recovery of commercial areas is essential to ensuring that commercial tenants, customers and jobs are restored. By facilitating the return of commercial districts and businesses to profitability, jobs will be created or retained within the community and residents will continue to have access to the products and services they need within their local community. Recognizing this impact, DEO will create a program for eligible subrecipients to revitalize designated commercial districts damaged by Hurricane Michael. Documentation of impacts from Hurricane Michael will be required to be considered eligible for assistance.

Uses of funds may include, but may not be limited to:

- Public facility improvements, including streetscapes, lighting, sidewalks and other physical improvements to commercial areas;
- Acquisition, demolition, site preparation or rehabilitation of commercial structures carried out by a unit of local government;
- Assistance to small businesses for rehabilitation and physical improvements to their places of business; and

- Façade improvements to private or public structures in commercial areas.

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

Criteria	Relative Importance
Demographic need (LMI, Historically underserved areas)	High
Leverage of additional resources	Medium
Project impact	Medium
Management capacity	Medium
Readiness to proceed	Low
Special designation	Low

Allocation for Activity: \$58,911,124

Eligible Subrecipients: Units of general local government (UGLG), state agencies, community revitalization agencies, community development districts, community-based development organizations and non-profits primarily engaged in community redevelopment activities that apply in partnership with their local UGLG or state agencies.

Maximum Award: \$15,000,000

Minimum Award: \$250,000

Responsible Entity for Administering: DEO, subrecipients

Eligibility: HCDA Sections 105(a)(1), (2), (4), (14), (15), and (17)

National Objective: Benefit to low- and moderate-income persons; Aid in the prevention or elimination of slums or blight; Meeting a need having a particular urgency (urgent need)

Infrastructure Activities

The state of Florida has made significant investments in mitigation to ensure that infrastructure is able to withstand the impacts of wind and flood events. DEO will continue to strengthen the state’s infrastructure by creating an Infrastructure Repair Program that allows communities to use CDBG-DR to leverage other funding sources. 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.

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.

Hurricane Michael affected many communities’ infrastructure systems such as damaging roadways, bridges and state beaches. Funding will be dispersed to communities impacted by Hurricane Michael through a competitive application cycle with priority given to projects that can demonstrate urgent need

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)

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 \$109,000,000 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.

**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 HMGP. 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.

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: \$109,000,000 **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)

5. 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. Projected Expenditures

DEO has developed a performance and expenditure schedule that includes projected performance of both expenditures and outcome measures for programs, project delivery and administration activities shown in the graph below.

Cost Category	3/31/2019	6/30/2019	9/30/2019	12/31/2019	3/31/2020	6/30/2020	9/30/2020	12/31/2020	03/31/2021	06/30/2021	9/30/2021	12/31/2021
	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Administrative Costs	\$ 3,049	\$ 8,526	\$ 47,071	\$ (3,141)	\$ 30,012	\$ 93,514	\$ 134,242	\$ 175,372	\$ 437,775	\$ 481,682	\$ 496,132	\$ 511,016
Planning Costs	\$ -	\$ 1,656	\$ 3,588	\$ 4,533	\$ 40,394	\$ 1,369	\$ 6,473	\$ 3,877	\$ 4,020	\$ 6,702	\$ 7,000	\$ 7,000
Housing Repair Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 333,003	\$ 22	\$ -	\$ 54,025	\$ 1,249,152	\$ 4,500,000	\$ 6,000,000
Voluntary Buyout Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Workforce Recovery Training	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Hometown Revitalization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Infrastructure Repair	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
HMGP Match Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 3,049	\$ 10,182	\$ 50,659	\$ 1,392	\$ 70,406	\$ 427,886	\$ 140,736	\$ 179,250	\$ 495,819	\$ 1,737,536	\$ 5,003,132	\$ 6,568,016

Cost Category	3/31/2022	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024	12/31/2024
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Administrative Costs	\$ 595,359	\$ 714,431	\$ 964,482	\$ 1,350,274	\$ 1,890,384	\$ 2,173,941	\$ 2,093,425	\$ 2,093,425	\$ 2,093,425	\$ 2,093,425	\$ 2,093,425	\$ 2,000,000
Planning Costs	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Housing Repair Program	\$ 7,000,000	\$ 8,000,000	\$ 10,000,000	\$ 12,000,000	\$ 14,000,000	\$ 16,000,000	\$ 18,000,000	\$ 20,000,000	\$ 22,000,000	\$ 24,000,000	\$ 26,000,000	\$ 28,000,000
Voluntary Buyout Program	\$ 100,000	\$ 300,000	\$ 500,000	\$ 800,000	\$ 900,000	\$ 1,300,000	\$ 1,400,000	\$ 1,400,000	\$ 1,600,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000
Workforce Recovery Training	\$ 100,000	\$ 150,000	\$ 250,000	\$ 350,000	\$ 375,000	\$ 425,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000
Hometown Revitalization	\$ 250,000	\$ 400,000	\$ 1,000,000	\$ 2,500,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Infrastructure Repair	\$ 500,000	\$ 1,000,000	\$ 1,300,000	\$ 3,500,000	\$ 5,500,000	\$ 7,500,000	\$ 7,500,000	\$ 10,000,000	\$ 12,000,000	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000
HMGP Match Program	\$ 3,000,000	\$ 3,000,000	\$ 3,500,000	\$ 3,500,000	\$ 4,000,000	\$ 4,500,000	\$ 5,000,000	\$ 5,000,000	\$ 5,200,000	\$ 5,300,000	\$ 5,500,000	\$ 5,500,000
Total	\$ 11,552,359	\$ 13,571,431	\$ 17,521,482	\$ 24,007,274	\$ 29,672,384	\$ 34,905,941	\$ 37,450,425	\$ 41,950,425	\$ 46,350,425	\$ 51,550,425	\$ 53,750,425	\$ 55,657,000

Cost Category	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	Total	Budget	Budget Balance
Administrative Costs	\$ 1,842,667	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,763,738	\$ 1,700,000	\$ 1,700,000	\$ 36,777,650	\$ 36,777,650	\$ 0
Planning Costs	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 226,612	\$ 14,711,060	\$ 14,484,448
Housing Repair Program	\$ 17,000,000	\$ 12,126,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 246,263,144	\$ 246,263,144	\$ (0)
Voluntary Buyout Program	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000	\$ 1,762,572	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 27,362,572	\$ 27,362,572	\$ -
Workforce Recovery Training	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 8,000,000	\$ 8,000,000	\$ -
Hometown Revitalization	\$ 4,256,429	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 60,406,429	\$ 60,406,429	\$ -
Infrastructure Repair	\$ 17,000,000	\$ 17,000,000	\$ 20,000,000	\$ 20,000,000	\$ 18,332,145	\$ 17,900,000	\$ 17,000,000	\$ 17,000,000	\$ 238,032,145	\$ 238,032,145	\$ -
HMGP Match Program	\$ 6,500,000	\$ 6,500,000	\$ 6,500,000	\$ 6,300,000	\$ 6,300,000	\$ 6,300,000	\$ 6,300,000	\$ 6,300,000	\$ 104,000,000	\$ 104,000,000	\$ -
Total	\$ 48,856,096	\$ 43,683,942	\$ 34,557,000	\$ 34,319,572	\$ 32,589,145	\$ 32,120,738	\$ 31,157,000	\$ 31,157,000	\$ 721,068,553	\$ 735,553,000	\$ 14,484,447

