



REBUILD
FLORIDA
HOUSING REPAIR
& REPLACEMENT
PROGRAM

RENTAL GUIDELINES

This document provides the housing guidelines for implementation of the rental portion of the Housing Repair and Replacement Program administered by the State of Florida Department of Economic Opportunity (DEO). This program is funded by the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant—Disaster Recovery (CDBG-DR) allocation as described in Public Laws 115-56 and 115-123.



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Part 1 Program Overview

1.1 Purpose of the Program

INTRODUCTION

The Florida Department of Economic Opportunity (DEO) Office of Disaster Recovery (ODR) is the administrator of a Community Development Block Grant—Disaster Recovery (CDBG-DR) program funded by the U.S. Department of Housing and Urban Development (HUD) under Public Laws 115-56 and 115-123. DEO is the agency responsible for the administration of disaster funds allocated to housing, economic development, and infrastructure activities. DEO is administering the Housing Repair and Replacement Program (HRRP) directly.

The DEO HRRP will provide housing assistance to those affected by Hurricane Irma in September 2017. This will include single family owner occupants, owners of rental properties and Public Housing Authorities (PHAs). The intent of the program is to address remaining unmet housing needs. DEO has developed these Rental Housing Guidelines for the HRRP based on the information gathered during the unmet needs analysis and subsequent project descriptions created in the *State of Florida Action Plan for Disaster Recovery*.

DEO is currently allocating \$273,329,800 in CDBG-DR funding for HRRP. Based on data obtained during the action planning process, DEO projects that 6,000 properties will be rehabilitated, reconstructed or replaced. Upon HUD approval of the substantial amendment to the action plan, the HRRP allocation will increase to a total of \$346,186,147 with a projection of 7,150 homes that will be rehabilitated, reconstructed or replaced.

DEO has established two objectives for the HRRP. First, recognizing that the \$346 million allocation for housing repair will not meet all needs, DEO will prioritize assistance for at-risk and vulnerable populations. Second, to increase resiliency and protect human life, DEO is requiring the implementation of construction methods that emphasize quality, durability, energy efficiency, sustainability and mold resistance.

The HRRP is a centralized housing repair or replacement program intended to benefit Low and Moderate-income families impacted by Hurricane Irma. The program will manage and complete the construction process to repair, replace or reconstruct damaged homes for 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. Applicants will not select their own contractors and will not contract directly with the construction contractor. No payments will be made to the property owner directly. Applicants will be required to enter into agreements with the state setting forth the terms and conditions of the program.

The Rental portion for the HRRP, addressed in this document, is open to owners of single family rental properties and Public Housing Authorities (PHAs). This means that single family structures and multifamily structures may be eligible under the Rental portion of the program. Single family homeowners will also be served; however, separate guidelines have been published for single family homeowners who occupy their homes. Guidelines can be found at www.RebuildFlorida.gov.

If any housing unit assisted under this program is currently occupied by tenants, the tenants will have the opportunity to move back into the unit(s) that are rehabilitated or reconstructed using CDBG-DR funds. Displacement of such tenants will result in the application the Uniform Relocation Act (URA) and all associate requirements, restrictions, and/or waivers outlined in the governing Federal Register Notice(s), federal guidance and the URA itself.

The Federal requirements for the delivery of the HRRP are complex and will require a multi-step process (see Figure 1 and Figure 2) to comply with all the regulations and requirements that are tied to the funding source. The process includes initial documentation and verification requirements that result in an award of benefits to eligible rental property. The result of the initial documentation phase is the signing of a contract and award agreement.

Figure 1 Initial Application and Documentation Steps



The construction and compliance phase, as seen in Figure 2, is where repair, replacement or reconstruction assistance is provided to the landlord property owner through direct construction activities performed by the program and the result is a market ready affordable housing unit. After verification of tenant income and the completion of the affordability periods for single family rental units that is established by the requirements of local governments, the grant will be closed assuming that the property owner has remained in compliance for the affordability periods established by the requirements of local governments.

Figure 2: Construction and Compliance



PURPOSE

The goal of the rental program is to help repair, replace or reconstruct existing homes and to increase the affordable rental stock in the communities impacted by Hurricane Irma. This is a construction program that will provide construction assistance to qualifying property owners. The program will provide construction management and quality assurance services throughout construction activities. The program will review and verify contractor invoices and disburse payment to contractors. All funds will be paid by the program, on behalf of the property owner, to a program-assigned construction contractor at pre-determined construction intervals. No payments will be made to the property owner directly.

The primary focus of the HRRP for rental properties is to provide funds for the repair, replacement or reconstruction of affordable rental housing units in areas impacted by Hurricane Irma. The following objectives are provided for the implementation and administration of the rental program:

- 1) Provide safe, resilient rental housing options in Hurricane Irma impacted areas of Florida.
- 2) Ensure that housing needs of vulnerable and low to moderate income households are met.

All HRRP assisted rental units must be restricted during the affordability period established by the requirements of local governments for low to moderate income (LMI) persons. The rents, at a minimum, must comply with High HOME Investment Partnership (HOME) Rents. Rents may not exceed 30% of the monthly income for a household earning 80% or less of the Area Median Income (AMI).

NATIONAL OBJECTIVE AND ELIGIBLE ACTIVITIES

The National Objective that is approved for the HRRP is benefit to Low- to Moderate-Income (LMI) households. The governing Federal Register Notices (FR-6066-N-01 and 6109-N-01) require that 70% of program funds meet the LMI National Objective and that 80% of all funds be expended in the HUD-designated Most Impacted and Distressed (MID) communities, as identified in the Federal Register Notice(s). Eligible activities under the rental portion of HRRP include:

1. Repairs to, reconstruction or replacement of housing units damaged by Hurricane Irma, including:
 - a. Bringing the home into code compliance,
 - b. Individual Mitigation Measures to mitigate against future storm impacts, and
 - c. Elevation.
2. The completion of work to homes that have been partially repaired.
3. Temporary Relocation Assistance based on individual tenant needs and their participation in the Housing Repair and Replacement Program.

DEFINITIONS

100-year floodplain: The area subject to inundation from a flood having a 1% or greater chance of being equaled or exceeded in any given year.

Affordability Period: To ensure that the CDBG-DR investment in rental properties yields affordable housing, HRRP is imposing rent and occupancy requirements over the length of a compliance period, known as the affordability period. All HRRP-assisted rental units must be restricted during the affordability period for low- to moderate-income (LMI) persons. The rents, at a minimum, must comply with High HOME Investment Partnership (HOME) Rents. Rents may not exceed 30% of the monthly income for a household earning 80% or less of the Area Median Income (AMI). Rehabilitated or reconstructed single family rental units and multifamily rental units with seven units or less **affordability periods will be established by the requirements of local governments**. Multifamily rental housing with eight or more units will be restricted for 15 years.

Area Median Income (AMI): The median (middle point) household income for an area adjusted for household size as published and annually updated by the United States Department of Housing and Urban Development (HUD). Once household income is determined, it is compared to HUD's income limit for that household size.

Applicant: Any individual who submits an application for assistance to the Rebuild Florida Housing Repair and Replacement Program.

Base Flood Elevation (BFE): Base Flood Elevation as determined by the Federal Emergency Management Agency (FEMA) uses the relationship between the BFE and a structure's elevation to determine flood insurance premiums. The Federal Register sets the minimum elevation requirements for homes that will be assisted with CDBG-DR funding and which require elevation. HUD has determined that structures designed principally for residential use and located in the 100-year floodplain that receive assistance for new construction repair of substantial damage or substantial improvement must be elevated with the lowest floor, including the basement, at least two feet above the BFE.

CDBG-DR: Community Development Block Grant-Disaster Recovery.

Common Area Under Roof: The total area under the common roof is primarily interior, conditioned spaces, and for single-story homes, equal to the footprint of the house. The term is also synonymous with

the eligible area. In addition, exterior spaces such as detached porches and garages are not considered in the eligible area.

Completed Repairs Estimate (CRE). The CRE is used to verify Hurricane Irma damages to the property and determine repairs that have already been completed. This estimate may be used to verify the appropriate use of funds received from insurance or other federal disaster recovery assistance for repair and be used to reduce Duplication of Benefits (DOB), in the absence of receipts.

Damage Assessment: The process utilized to verify that damage at a property can reasonably be attributed to Hurricane Irma and the quantification of damages that results in the dollar value and scope of repairs necessary to repair a structure. It results in a Completed Repairs Estimate (CRE) and, if applicable, a Scope of Work Estimate (SWE) or Residential Valuation Report (RVR).

Demolition: Clearance and proper disposal of dilapidated buildings and improvements.

Disability: For the purposes of the program, “disability” is consistent with federal law under The Social Security Act, as amended, 42 U.S.C. §423(d), The Americans with Disabilities Act of 1990, as amended, 42 U.S.C. §12102(1) -(3), and in accordance with HUD regulations at 24 CFR §§5.403 and 891.505.

Duplication of Benefits: A Duplication of Benefits will occur if the Rebuild Florida Housing Repair and Replacement Program provides assistance to a homeowner for the same purpose (repair, replacement or reconstruction) as any previous financial or in-kind assistance provided to a property owner for the repair, replacement or reconstruction of his/her home. Rebuild Florida is prohibited from providing such as Duplication of Benefits by the Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) and therefore, these other sources of funds must be deducted from any potential award.

Elevation: All structures, defined at 44 CFR 59.1, designed principally for residential use and located in the 1% 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), must be elevated with the lowest floor, including the basement, at least two feet above the 1% annual floodplain elevation. Residential structures with no dwelling units and no residents below two feet above the 1% annual floodplain, must be elevated or flood-proofed, in accordance with FEMA flood-proofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above the 1% annual floodplain. Elevation will be conducted by means of pier and beam construction. Fill to achieve proper elevation height will not be eligible.

Family: A household composed of two or more related persons. The term “family” also includes one or more eligible persons living with another person or persons who are determined to be important to their care or well-being.

Federal Register: is the official journal of the Federal government of the United States that contains government agency rules, proposed rules, and public notices. It is published daily, except on federal holidays. A Federal Register Notice (FRN) is issued for each CDBG-DR funded disaster. The FRN outlines the rules that apply to each allocation of disaster funding.

FEMA-Designated High Risk Area: Areas designated by FEMA as vulnerable to significant wind and/or storm surge damage and areas located in 100-year flood zones. These areas will be identified during the environmental review process for each participating jurisdiction.

Household: A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two or more families living together or any other group of related or unrelated persons who share living arrangements. For housing activities, the test of meeting the Low- to -Moderate income objective is based on the LMI of households.

HUD: United States Department of Housing and Urban Development.

Increased Cost of Compliance (ICC): Structures damaged by a flood may be required to meet certain building requirements to reduce the risk of future flood damage before the structure can be repaired or rebuilt. To help cover these costs, the National Flood Insurance Program (NFIP) includes Increased Cost of Compliance coverage for all new and renewed Standard Flood Insurance Policies. ICC is a Duplication of Benefits if a structure owner requests reimbursement or additional assistance for elevation, demolition, flood proofing or relocation—one of the four options available under ICC—and has already received an ICC benefit under the NFIP.

Individual Mitigation Measures (IMM): Activities designed to mitigate and/or reduce risk beyond the pre-disaster condition of a housing unit when the activities are above and beyond federal, state, or local construction or code requirements. In accordance with HUD's guidance, repair of housing units and the payment of flood insurance are not IMM activities. Examples of IMM activities include: elevation above the base flood elevation level, or the addition of storm shutters, disaster proof windows, etc., as long as those improvements are not required to comply with local code requirements and did not exist on the housing unit prior to the disaster damage.

Low to Moderate Income (LMI) National Objective: Activities which benefit households whose total annual gross income does not exceed 80% of Area Median Income (AMI), adjusted for family size. Income eligibility will be determined and verified in accordance with HUD Guidance. The most current income limits, published annually by HUD, will be used to verify the income eligibility of each household applying for assistance at the time assistance is provided.

- **Extremely low:** Household's annual income is up to 30% of the area median family income, as determined by HUD, adjusted for family size
- **Very Low:** Household's annual income is between 31% and 50% of the area median family income, as determined by HUD, adjusted for family size
- **Low:** Household's annual income is between 51% and 80% of the area median family income, as determined by HUD, adjusted for family size

Mobile/Manufactured Housing Unit (MHU): A structure, transportable in one or more sections which, in the traveling mode is 8-body-feet or more in width or 40 body-feet or more in length, or when erected on site, is at least 320 square feet, and is built on a permanent chassis and is designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein. This can sometimes be referred to as mobile homes.

Modular Housing: A home built in sections in a factory to meet state, local or regional building codes. Once assembled, the modular unit becomes permanently fixed to one site. The program will treat modular homes as traditional, site or stick built construction.

Most Impacted and Distressed (MID) Areas: Areas of most impact as determined by HUD or the state using the best available data sources to calculate the amount of disaster damage. The HUD-designated MID areas include Brevard, Broward, Clay, Collier, Duval, Hillsborough, Lee, Miami-Dade, Monroe, Orange, Osceola, Palm Beach, Polk, St. Lucie, Volusia counties; 32084, 32091, 32136, 32145, 32771, 33440, 33523, 33825, 33870, 33935, 34266 zip codes. The state-identified MID areas also include those counties that received both Individual Assistance (IA) and Public Assistance (PA) through the Federal Emergency Management Agency (FEMA).

NFIP: National Flood Insurance program. When the program refers to NFIP in the context of eligibility or Duplication of Benefits, the program is referring to private and public flood insurance programs that cover structural repairs resulting from flood damages.

Not Suitable for Rehabilitation: DEO defines “not suitable for rehabilitation” as one of the two following definitions:

1. Residential properties that have experienced repetitive losses under FEMA’s National Flood Insurance Program (NFIP).
2. Dwellings that are considered substandard and do not meet the recovery program’s housing repair standards and/or federal, state, local code requirements will not be deemed suitable for rehabilitation, as determined by the program and consistent with program guidelines. The determination may be established based on the calculation that the cost of repair is close to or exceeds the cost to reconstruct.

Property Casualty Insurance: Insurance that covers structural repairs to a home as a result of wind, fire, hail, wind-driven rain, tornado, hurricane, or natural disaster, other than flood.

Reconstruction: Demolition and re-building of a housing unit on the same lot in substantially the same footprint and manner. The number of units on the lot may not increase and the total square footage of the original, principal residence structure to be reconstructed may not be substantially exceeded; however, the number of rooms in a unit may be increased or decreased.

Reconstruction: The demolition, removal, and disposal of an existing housing unit and the replacement of that unit on the same lot, and in the same footprint, with a new unit that complies with the International Residential Codes (IRC), as required by the Florida Code. The number of units on the lot may not increase and the total square footage of the original, principal residence structure to be reconstructed may not be substantially exceeded; however, the number of rooms in a unit may be increased or decreased.

Registrant: Any individual that registers with the program.

Registration: The initial step a property owner must take to seek benefits under the program. Registration will result in prioritization of a registrant for application if basic eligibility requirements are met. This is distinct and separate from application.

Rehabilitation: Repair or restoration of housing units in the disaster-impacted areas to applicable construction codes and standards.

Replacement: 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.

Residential Valuation Report (RVR): When a structure has already been demolished or cannot otherwise be evaluated for repair and a Scope of Work Estimate cannot be prepared, a Residential Valuation Report may be prepared. This report takes into account the information about the previous structure that is available and yields a rough valuation of reconstruction for the structure.

Rental Activity: Repair of affordable rental housing resulting in structures where at least 51% of units are occupied by LMI persons. Income and rent restrictions apply to the rental units assisted with CDBG-DR funds. Owners of rental properties are eligible under the HRRP.

Scope of Work Estimate (SWE): A documented line item by line item estimate of the damages observed during an onsite visit to a homeowner's property that quantifies the materials and labor necessary to repair observed damages.

Second Home: Properties that served as second homes at the time of the disaster, or following the disaster, are not eligible for repair assistance or housing incentives. A second home is defined 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. HUD has established an alternative requirement for second homes that may allow assistance in limited circumstances coordinated with HUD.

Stick built home: A home that has been built on-site using traditional construction materials and methods.

Substantial Improvement: As defined in 24 CFR 55.2(b) (10) and as applicable to the HRRP, substantial improvement means any repair, reconstruction, modernization or improvement of a structure, the cost of which equals or exceeds 50% of the market value of the structure either before the improvement or repair is started or if the structure has been damaged, and is being restored, before the damage occurred. Substantial improvement determinations are made by local code enforcement, permitting, building and/or floodplain officials. The program will abide by these determinations.

1.2 HUD Income Limits

Unlike the single family owner occupied housing portion of HRRP, the rental program within HRRP does not require the property owner to have a household income that is 120% or less of the Area Median Income (AMI). Instead, the rental program qualifies landlord property owners based on the LMI status of current and future tenants.

Applicants receiving CDBG-DR funds to repair, reconstruct or replace damaged properties under this rental program must currently lease or agree to lease the rental units to low- to moderate-income households (80% of Area Median Income or less) at restricted rents. Rents must, at a minimum, comply with the High HOME Investment Partnership (HOME) Rents. The affordability periods for single family rental units will be established by the requirements of local governments for homes repaired or reconstructed with Hurricane Irma CDBG-DR funds.

1.3 Program Requirements

1. All housing activities for the HRRP will meet the National Objective required under the authorizing statute of the CDBG program that benefits Low to Moderate Income (LMI) persons, where at least 70% of the funds will benefit these populations.
2. Property owners applying for disaster assistance are processed by priorities based on the prioritization criteria outlined in these guidelines in Section 1.6.
3. The property must meet certain eligibility standards to qualify for assistance. Eligibility standards are discussed in Part 2 of this document.
4. For assistance activities, it must be demonstrated that the damage to structures was the direct result of Hurricane Irma. Damage details are noted in Part 2 of this document.
5. Rents may not exceed 30% of the monthly income for a household earning 80% or less of the AMI and comply with the High HOME Investment Partnership (HOME) Rents.
6. The property must pass a federally required environmental review. No construction may be undertaken until the environmental review is complete.
7. A damage assessment/ Scope of Work Estimate (SWE) inspection must be conducted. The damage assessment must be completed in sufficient detail to obtain bids or cost estimates. Repair of the

residence must bring the property into compliance with local health, safety and building codes and pass a Housing Quality Standards inspection. The project costs must be reasonable and typical in the current marketplace for projects of similar scope.

8. The project must comply with all applicable federal, state and local requirements.

1.4 Registration

Registration is the first step an individual can take toward seeking benefits under the HRRP. Registration will be open for a minimum 90-day intake period. Note that registration is not an application. Regardless of the number of rental properties a rental property owner wishes to register, there may only be one registration per property owner. The registration process will allow a rental property owner to register multiple damaged rental properties to the owner's registration account. Duplicate registrations will be closed so that only one registration per property owner remains active.

A Strategic Communication Plan will designate how populations will be targeted for outreach and registration. If the 90-day window is not sufficient to obtain the registration volume necessary to satisfy the number of prioritized applications required to expend the funds, DEO may extend the outreach period for an additional period. Any extension of the outreach and intake period beyond 90 days will be announced via the Rebuild Florida website at www.rebuildflorida.gov and as outlined in a revision to the Strategic Communications Plan.

Registration requires the submission of basic information about the registrant and his or her damaged property or properties. For rental properties, this also includes information about the tenant households. The registration process allows DEO to evaluate the potentially eligible population and begin the prioritization process. Once a sufficient number of registrants have been prioritized, DEO will begin to invite registrants to provide more information to the program through an application process. Prioritized registrants will be invited to apply before non-prioritized registrants.

All interested individuals who wish to seek assistance through the HRRP must first register. An individual may register for the program by:

1. contacting the Rebuild Florida call center at 1-844-833-1010,
2. going online to www.RebuildFlorida.gov,
3. visiting a housing assistance center. or
4. attending an outreach event, when available, in the local community.

Housing assistance center locations and hours of operation will be advertised through outreach materials and posted on the Rebuild Florida website. Outreach and intake will be open for a 90-day registration period. Outreach events will be advertised on the Rebuild Florida website and announced through local media affiliates and partners.

1.5 Applications

- Only completion and submission of the official Rebuild Florida HRRP application form, including the submission of all supporting documentation, will be considered as application for program benefits.
- Anyone who has submitted a prior application for disaster recovery assistance through a non-profit organization, federal, state or local agency will need to submit a separate application specifically for Rebuild Florida HRRP.
- Submission of a public comment form or other written documentation of damage during public meetings or hearings does not constitute application to the Rebuild Florida HRRP.

- Qualification for assistance will be certified by program staff prior to the commitment of any funds to an activity or beneficiary.
- Registrants and applicants are not guaranteed assistance but will be served based on availability of funds and qualification for benefits.
- Applications will only be accepted as a result of registration during the published outreach period or until the target number of applications is received. Additional intake periods may be opened at a later date depending on funding availability and the need to qualify additional applicants.
- Property owners will be invited to apply on a priority basis, as described below in Section 1.6.

1.6 Priority Schedule

Recognizing that the \$346 million allocated for owner-occupied housing and rental properties will likely not address all needs, at-risk and vulnerable populations with the greatest needs will be prioritized. At a minimum, 70% of program funds must meet a Low and Moderate-Income national objective.

Owners of rental properties who rent the property to tenants who have incomes higher than 120% of AMI will not be eligible for this program. Landlords who currently rent or will rent to residents with one or more of the following characteristics will be prioritized and processed in the order that they complete an application:

- Low, very low or extremely low incomes
- Households with seniors age 62 and older
- Households with children age 5 or younger
- Households with special needs or special accommodation requirements (disabled)
- Persons who have been displaced from Puerto Rico and the U.S. Virgin Islands and are permanently resettling in Florida

As grant award agreements approach full obligation of program funds, DEO will analyze the remaining potential eligible applicant pipeline and may choose to re-allocate funds from one program to another or place remaining applicants on hold until priority applicants are fully processed and needs most realized. As program application intake production is monitored, DEO may choose to adjust the percentage of funding or re-allocate additional funding from other programs with less participation to maximize assistance for priority applicants eligible and seeking HRRP assistance.

1.7 Program Education

Program education will be provided to all applicants to explain the details of the program, the application process, qualification and prioritization criteria, impacts of accepting an award, requirements for compliance after completion of activities, and long-term obligations incurred because of this funding. Program education procedures will be outlined in a separate document.

1.8 Eligible Structures

Eligible structures for the Rebuild Florida HRRP rental program include traditional stick built dwelling units and Mobile/Manufactured Housing Units (MHUs). Attached structures are eligible if they are under the common roof of the damaged single structure and permanently affixed to the structure.

- ✓ Mobile homes or manufactured homes may be eligible for repair under this program. However, to be cost effective, the mobile home to be repaired must be no more than 5 years old at the time of assistance and the necessary repair costs must not exceed \$15,000 (hard and soft construction costs).

Any mobile/manufactured home that is older than 5 years old or has an estimated repair cost greater than \$15,000 will require the mobile/manufactured home to be replaced with another mobile/manufactured home. If repaired, the mobile home must meet HUD's Housing Quality Standards (HQS) upon completion. Replacement mobile homes will meet applicable Green Building Standards. Local zoning and code requirements will be observed by the program.

- a) A structure where any portion of the dwelling is composed of a MHU, no matter how extensive the additions or modifications are, will be considered for repair or replacement on a case-by-case basis.
 - b) MHUs may only be replaced with another MHU where land use restrictions do not prohibit replacement of the MHU.
- ✓ Condominiums, townhomes, duplexes, triplexes and quadplexes and other units that share a common wall (with a total of four housing units or less) may be eligible structure types. However, there may be additional restrictions related to common areas in such structures. Structures with more than four units will be considered on a case-by-case basis.
 - ✓ Public Housing Authority apartment complexes.
 - ✓ Homes that are used for both residential and commercial purposes will be considered for eligibility on a case-by-case basis.
 - Garages, sheds and outbuildings, not attached to the main dwelling unit are not eligible for repair. Improvements must be physically attached to the house and be permanent in nature.
 - Recreational Vehicles and camper trailers used as a residence are not eligible for the program.
 - Houseboats used as a residence are not eligible for the program.
 - Second homes may be eligible under the rental program only if the second home is converted to affordable rental housing subject to the requisite affordability period. This limited exception will be evaluated on a case-by-case basis and will require HUD approval.
 - Seasonal, short-term and vacation rental properties are not eligible for assistance.
 - Housing units located where federal assistance is not permitted by federal regulation, including floodways, or within runway clear zones of either a civil or military airport are not eligible.

1.9 Type of Assistance Offered

Repair may be offered to applicants based on the extent of damage to the housing unit. Replacement of Mobile/Manufactured Housing Units (MHUs) will be limited to situations where local zoning/building permits, or federal requirements, such as environmental regulations, will allow the replacement of the original, hurricane-damaged structure with a like structure.

Understanding that it may be necessary for tenants to vacate their rental unit during the period of repair, DEO will provide relocation assistance as may be required by the Uniform Relocation Act (URA). See Relocation Temporary Rental Assistance Policy in Section 1.10.

This program does not pay for like for like replacement of materials and amenities. The program will offer standard, basic amenities to make a rental home decent, safe and sanitary and all improvements will be assessed for compliance with HUD Section 8 Existing Housing Quality Standards (HQS), and local building codes. Standard appliances that are not functioning at the time of inspection such as refrigerators, stoves and/or ovens may be replaced. Luxury items, including but not limited to, granite (or other high-end) countertops, high-end appliances, stone flooring, garage door openers, security systems, swimming pools,

fences and television satellite dishes are not eligible under the HRRP. Washing machines and dryers are not eligible for replacement.

Where replacement of a MHU or modular home is indicated, standard floor plan options will be offered. If a replacement home is provided, the original MHU or modular home must be demolished and removed from the site prior to the replacement of that structure. Size of the replacement unit will be determined using HUD Occupancy Standards where applicable.

Additional improvement parameters include:

- 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 eligible.
- Lead-based paint testing, mitigation or stabilization, as needed. If a home is going to be replaced or reconstructed, lead-based paint testing will not apply. The replacement/reconstruction of the property will automatically result in the removal of any potential previous hazard.
- Asbestos testing, mitigation or encapsulation, as needed.
- Mold testing and remediation, as needed.
- Section 106 Architectural History compliance requirements imposed by the Florida Division of Historical Resources, as needed.
- Accessibility features for documented special needs. Rental units inhabited by special needs or elderly (age 62 or older) persons must be analyzed as to the special physical needs of such persons. Improvements such as widened doorways, ramps, level entry and doorways and grab bars in bath areas must be installed, if appropriate. Hearing and sight impaired adaptations should also be considered.
 - Landlord property owners committing to serving disabled tenant populations may qualify for the installation of accessibility features in their damaged rental properties.
 - Landlord intent to rent to elderly or disabled individuals/households will be documented via the owner's signed intent to market to elderly and disabled tenants.
- Standard appliances limited to refrigerator, stove/oven if they are not in working order at time of inspection. Though replacement appliances may be of standard, not luxury quality, they will be EnergyStar® rated, if available.
- Ventilation and energy efficiency items such as ceiling fans, window screens, and screen doors if missing or not functional at time of inspection.
- Elevation with the lowest finished floor two feet above the base flood elevation (BFE) level for homes in the 100-year floodplain that are substantially damaged, substantially improved, reconstructed or replaced. Elevation height above BFE is governed by the Federal Register Notice, the bottom of the first finished floor must be two feet above BFE.
- All electrical components must be inspected including service, meter, wiring and fixtures even if no electrical work is being specified. Unsafe components must be replaced. All exposed wiring, switches, and light bulbs in living areas must be encased.
- All homes must be equipped with smoke and carbon monoxide detectors installed in conformity with code requirements.

- Additional related costs such as green building and mitigation requirements, insurance, accessibility modifications, repair or replacement of water, sewer and utility connection needs may be included.

1.10 Tenant Relocation Assistance

Priority will be placed on the rehabilitation of housing, as opposed to demolition, where feasible, to avoid displacement. All tenants will be provided with the requisite notices under the Uniform Relocation Act (URA) and at the timing intervals specified in the Act. All tenants to be displaced because of HRRP shall be offered, at a minimum, relocation advisory assistance as outlined in 49 CFR Part 24.205, including assistance in filing claims and appeals.

If the HRRP determines that it is necessary to temporarily relocate tenants in a building being repaired, replaced or reconstructed, the tenant is eligible for:

1. Referral to decent, safe, and sanitary temporary housing;
2. Reasonable, out of pocket moving expenses;
3. Any increase in housing costs for the time the person is away from the building, including any increase in rent and utilities; and
4. Utility disconnects and reconnects, as necessary.
5. The right of first refusal to move back into the unit the tenant previously occupied.

In no case will tenants be required to relocate for a period to exceed 12 months. If the time away from a unit exceeds one year, the tenants shall be contacted and offered the choice to wait longer or be treated as a permanently displaced person and as such, will be provided full coverage and assistance as a permanently displaced tenant under the URA.

The HRRP will review all claims for relocation assistance in an expeditious manner. The claimant will be promptly notified of any additional documentation that is required to support the claim. Payment of the claim shall commence within 30 days following receipt of documentation to support claims.

If a person demonstrates need for an advance relocation payment to avoid or reduce hardship, the person will be issued the needed portion of the payment, subject to safeguards as appropriate, to ensure that the objective of the payment is accomplished.

In general, citizens and individuals with qualified alien status are eligible for benefits under the URA and illegal residents are not entitled to such benefits. In cases where there are one or more legal residents in the household, benefits can only be provided on a pro-rata basis in some cases, and only if it determined that displacement would cause an extreme hardship if the assistance is not provided (49 CFR 24.208). However, any displaced tenant, regardless of his or her status shall be offered the right of first refusal to move back into the repaired rental unit at affordable rents, as defined in these guidelines.

No person shall be denied eligibility for URA benefits to which he or she otherwise would be entitled solely because the person is unable to meet the occupancy requirements set forth in the URA regulations for a reason beyond his or her control, including:

1. A disaster, an emergency, or an imminent threat to the public health or welfare, as determined by the President, the Federal Agency funding the project, or the displacing Agency.
2. Another reason, such as a delay in the construction of the replacement dwelling, military duty, or hospital stay, as determined by the HRRP.

There is a prohibition against the HRRP making a payment to a person under the URA regulations that would duplicate another payment the person receives under Federal, State or local law. The HRRP is not

required to conduct an exhaustive search for such other payments; it is only required to avoid creating a duplication based on the HRRP's knowledge at the time a payment is computed.

Each applicant must provide information on the current occupants of their property, if any, on their application. Applicants must also provide the occupant information for all occupants in tenancy on the date of the disaster.

Landlords must not evict or otherwise force the displacement of current tenants to apply for this program. Doing so will:

- a. Make the owner landlord ineligible to receive benefits from the program;
- b. Result in legal penalties; and
- c. Trigger permanent relocation assistance to the tenant, for which the landlord will be responsible. The landlord will be required to reimburse the program for all relocation expenses (temporary or permanent) associated with the displacement of tenants if the program is forced to handle these costs. These costs may include increased housing costs, moving expenses and necessary out-of-pocket expenses for the displaced tenants or other housing assistance payment costs mandated by the URA.

Properties may not be rented subsequent to the date of application for assistance and prior to construction completion resulting in the issuance of a Certificate of Occupancy (COO).

If at any time tenants are forced to move out, relocation policies will be followed.

Tenants who were displaced on September 10, 2017, as a direct result of Hurricane Irma may be eligible for relocation assistance under URA. The program will perform its due diligence to locate displaced tenants and offer the required assistance.

Detailed supplemental policies and procedures will be developed by HRRP to govern the implementation of the URA requirements.

1.11 Construction Standards

The HRRP will implement construction methods that emphasize quality, durability, energy efficiency, sustainability, and mold resistance. All repair, reconstruction and new construction will be designed to incorporate principles of sustainability, including water and energy efficiency, resilience and mitigation against the impact of future disasters. HRRP will implement and monitor construction results to ensure the safety of residents and the quality of homes assisted through the program. All housing units repaired or replaced must comply with the current HUD Housing Quality Standards (HQS). The housing assistance provided under the program will be built with emphasis on high quality, durable, sustainable and energy efficient construction methods and materials.

These include the following minimum standards:

- Construction standards will be based on the Florida Building Code and must meet or exceed applicable requirements.
- Construction will comply with the Florida Green Building Standard for all new construction of residential buildings and for all replacement of substantially damaged residential buildings (i.e., where repair costs exceed 50% of replacement cost) under the Florida Green Building Coalition.
- For repair projects, the state will follow the Green Building Retrofit Checklist to the extent applicable to the repair work undertaken and feasible. This will include the use of mold resistant products when replacing surfaces such as drywall. When older or obsolete products are replaced as part of the repair

work, repair is required to use ENERGY STAR-labeled, WaterSense-labeled, or Federal Energy Management Program (FEMP)-designated products and appliances, or other equivalent, when feasible.

Housing units assisted with CDBG-DR funds must meet all applicable local and state codes, repair standards, ordinances, and zoning ordinances at the time of project completion. All deficiencies identified in the final inspection must be corrected before final payment is released.

1.12 Accessibility Standards

Properties that are or will be rented to physically disabled tenants or tenants with a disabled household member may be entitled to additional construction considerations such as roll-in showers, lowered countertops, pedestal sinks, bathroom grab bars, widened doorways or other accessibility features that will assist with the individual's functional needs. The program will assess eligibility for these features on a case-by-case basis.

1.13 Allocation and Housing Assistance Caps

A total of \$346,186,147 has been set aside for the HRRP. This allocation may be increased or decreased based on the demand for the program and with amendment to the Action Plan, as well as approval by HUD. Assistance for each property is capped at \$150,000.00, less any Duplication of Benefits. All construction costs (hard and soft costs), mitigation measures, elevation costs, site improvements, and construction standard conditions (dumpsters, on-site toilets, permitting, variances) are included in the cap. Exceptions will be considered on a case-by-case basis. Rental properties that contain five or more units will undergo an additional feasibility analysis to determine the cost reasonableness of the project.

Projects may fail to move to completion for a variety of reasons, including but not limited to, property owner withdrawal from the program and owner refusal of benefit. Should a property undergo environmental review and hazard testing, but then fail to make it through construction, these costs (as well as any other project delivery costs expended) will remain project delivery costs.

1.14 Feasibility of Repair Analysis

As a recipient of Federal funds, DEO is charged with ensuring that the costs of its activities are reasonable and necessary. Therefore, each property assessed under the HRRP will be analyzed for feasibility. The preliminary budget, called the Scope of Work Estimate (SWE), will be prepared to indicate the potential cost of demolition, elevation, and repair or replacement, as appropriate. The SWE will include the costs for all additional mitigation and accessibility requirements.

Properties with repair and/or elevation cost estimates that meet or exceed 75% of a comparable reconstruction or replacement house as determined by standard operating procedures and policies will provide applicants the option to select a reconstructed or replacement house. Properties with repair and/or elevation cost estimates that meet or exceed a comparable reconstruction or 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:

- 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 Action Plan, repair of a Mobile/Manufactured Housing Unit (MHU) greater than 5 years old and/or with more than \$15,000 worth of Hurricane Irma 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.
- Mobile home units that will require elevation in addition to the standard installation height will be replaced with a modular housing unit elevated to program standards.

1.15 Applicant Responsiveness

During the application process, an applicant is required to respond in a timely fashion to program requests for information/materials to complete the eligibility process. At no time should a request for additional information go unanswered beyond 30 working days. If the applicant needs an extension, a clarification, or assistance, they may request assistance within the 30 days. If the applicant fails to provide the requested information/materials or fails to ask for an extension or assistance, the application will be placed on hold until the information is provided.

If an applicant becomes unresponsive, the application will be closed. “Unresponsive” is defined as the failure to answer or return three consecutive phone calls, and failure to respond to written requests within program timeframes. Closure of an application for unresponsiveness may be appealed once. If a successful appeal results in the reactivation of an application, subsequent closure for unresponsiveness is not appealable. An exception to the above is for death or illness of an applicant and may be determined on a case-by-case basis.

1.16 Applicant Responsibilities

Applicants who receive assistance from the HRRP have the following responsibilities:

- HRRP will not be responsible for lost or damaged belongings of the applicant that have occurred during construction. The applicant must secure or relocate all personal property until construction is complete.
- The applicant must arrange access to the property for building contractors providing construction services. If reasonable and timely access is denied to a Building Contractor who is making a good faith effort to perform required repairs, the award may be terminated.
- During construction the applicant must not interfere in repair areas and must make a reasonable effort to stay away from the construction zone.
- Upon completion, the property must meet Housing Quality Standards (or current standards), local Florida building code requirements, and benefit low-moderate income persons earning 80% or less of the AMI as defined by HUD and detailed in the Housing and Community Development Act of 1974 (HCDA) Title I, 105(a).
- The rent for the unit occupied by the low-moderate income household must be at affordable rates. The units occupied by low-moderate income households must comply, at a minimum, with the High

HOME rent limits published by HUD under the HOME Investment Partnership program through the affordability period. Compliance with rent limits is calculated in the same manner as HUD programs.

- Property must be used for year-long rental housing and may not be used as a second home or for seasonal rental property.
- Rental properties vacant at the time of application must be leased to low/moderate income household within 60 days of project completion.
- Tenant income information must be provided to the program for review and approval prior to executing the lease and/or move-in date. Landlords will solicit and approve their own tenant base and DEO will not make any judgment on the suitability of tenants other than verifying that their income meets program requirements.
- The property must be retained as a low to moderate income rental property after project completion for a period of 5 years if it contains 7 units or less and 15 years if 8 units or more.
- Owners must maintain insurance coverage (not less than contract amount), inclusive of casualty (hazard) and flood insurance (if applicable). Federal law requires people who live or own residential property in a floodplain to carry flood insurance in perpetuity on that property. A grant agreement, deed restriction, covenant, or similar enforcement vehicle will be required to be placed on the property requiring that flood insurance be maintained on that property in perpetuity.
 - a. Failure to maintain flood insurance, when required, will result in the applicant and the property being ineligible for future federal disaster relief. Failure to maintain hazard insurance may prohibit future assistance.
 - b. HRRP will pay for one year of flood insurance. The owner is responsible for obtaining, paying and maintaining all flood insurance premiums after the first year.
 - c. If located in a 100-year floodplain, the applicant will be required to maintain flood insurance in perpetuity and notify future owners of flood insurance requirements.
- Property owners must keep current on all property taxes.
- Property owners must meet all requirements agreed upon in the executed legal documents required by the program.

All debris, abandoned vehicles and buildings that pose a safety and/or health threat as determined by the local jurisdiction or person qualified to make such a determination, must be removed from the property prior to the start of construction. The property owner will remove derelict personal property. The property owner has 30 days from the date of contract signing to remove all such debris and derelict property from the construction site. Failure to remove such property may result in a reduction in total benefit amount to account for program removal and if such reduction results in a new feasibility determination that the project is no longer feasible, the applicant will be determined ineligible and the application will be closed.

1.17 Complaints/Appeals/Conflict of Interest

A complaint and appeals procedure will be afforded to applicants and tenants. Complaints may be lodged regarding all concerns that arise related to the procedures followed and services provided by HRRP. Appeals may be lodged only upon the deliverance of an adverse program decision regarding eligibility, closure of an application or denial of relocation assistance to a tenant and only within the parameters set by the Appeals procedure. No person may appeal program policy.

An appeals process initiated by the applicant or a tenant will include an informal and formal, written grievance procedure which may include but not be limited to informal hearings, third-party review or administrative review. HRRP will render a decision regarding exception reviews and formal appeals. Appeals, grievances, and exceptions will be further explained in the Complaints, Appeals and Exceptions Procedures. See Appendix B Reconsideration/Appeal/Complaint Process.

Fair Housing Complaints

Persons alleging a violation of fair housing laws will be referred to DEO's local contact and process to file a complaint. DEO will retain a log and record of all fair housing inquiries, allegations, complaints and referrals. In addition, DEO will report suspected non-compliance to HUD. The contact for Fair Housing Complaints is:

FairHousing@deo.myflorida.com
(850) 717-8426

Conflict of Interest

State officials and employees, DEO employees, and consultants who exercise functions with respect to CDBG-DR activities or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, are prohibited from receiving any benefit from the activity either for themselves or for those with whom they have family or business ties, during their tenure.

For purposes of this section, "family" is defined to include parents (including mother-in-law and father-in-law), grandparents, siblings (including sister-in-law and brother-in-law) and children of an official covered under the CDBG conflict of interest regulations at 24 CFR Sec. 570.489(h).

An exception to the conflict of interest provision may be granted should it be determined that DEO has adequately and publicly addressed all of the concerns generated by the conflict of interest and that an exception would serve to further the purposes of Title I of the Housing and Community Development Act of 1974 and the effective and efficient administration of the program. No party will enter into a conflict of interest until a request for an exception has been granted.

1.18 Anti-Fraud and Compliance Policies

HUD requires policies to prevent fraud, waste and abuse. DEO has established procedures for verifying the accuracy of information provided by applicants, vendors and subrecipients. The Rebuild Florida HRRP will investigate all allegations regarding eligibility and the disbursement of funds or any other allegations of fraud or noncompliance. Where appropriate the program will assist Federal, State, and local agencies.

1.19 Files, Records and Reports

DEO will maintain accurate files and records on each applicant and will retain all pertinent documentation for the grant between HUD and DEO. Compliance will be maintained in accordance with the reporting requirements as outlined in the supplemental policies and procedures. This includes all information and reports as required under the DEO contract with HUD and demographic data and other information on applicants and tenant households and awardees.

All official records on programs and individual activities are maintained for a 5-year period, beyond the date of grant closeout.

1.20 Procurement Requirements

DEO will abide by the Procurement process mandated by Federal and State Government codes as they are applicable to the program. The procurement process includes the decision to purchase as well as the process to complete the purchase. The federal government has established a set of procurement rules at

2 CFR Part 200.317-326 that apply to CDBG-funded projects. These rules are in place to ensure that federal dollars are spent fairly and encourage open competition for the best level of service and price. If a conflict between Federal and local procurement regulations should occur, the more stringent regulation will be followed.

Part 2 Eligibility Requirements

The following are threshold requirements, which must be met for an applicant to be eligible for assistance. Eligibility does not assure assistance, since a prioritization strategy will be required (consistent with program requirements) and it is expected that there will be more eligible applicants than can be served with available funds. Threshold requirements are those that will either allow an applicant to continue to move forward in the program or result in disqualification. Described in more detail below, the threshold criteria for the Rebuild Florida HRRP are:

- 1) September 2017 storm damage with remaining unrepaired damage;
- 2) Location of damaged property within HUD or state identified Most Impacted and Distressed (MID) areas or a Presidentially declared disaster area resulting from Hurricane Irma;
- 3) Proof of ownership and applicant is current on all loan obligations for the property;
- 4) Damaged structure is used as long-term rental property and not as a second home or seasonal rental. Alternatively, structure will be converted to long-term rental property;
- 5) Property taxes are current;
- 6) Income of existing or future tenants is or will be LMI.

2.1 Hurricane Irma Damage

The home must have been damaged by or has damage as a result of Hurricane Irma in September 2017 and must have unrepaired damage as of the date of application. HRRP will verify by inspection that the home was damaged using a damage verification process. Damage to the home not caused by Hurricane Irma may be addressed only on structures that have Irma storm related damage.

Proof of Damage options:

- 1) FEMA, SBA or Insurance award letters constitute de facto proof that the home was damaged by Irma.
- 2) In the event that the above-referenced documentation is not available, an inspection report (complete with photos of the damage and a written assessment of the damage) from a damage assessment conducted by the HRRP that certifies that the damage occurred as a result of the hurricane will be acceptable.
- 3) In the event that FEMA, SBA or Insurance award letters are not available, and an inspection report is inconclusive as to the cause of the damage, the HRRP may use alternative evidence, such as neighborhood-level media reports or documentation of damage by disaster response/relief organizations on a case-by-case basis.

2.2 Location

The damaged property must be located in the HUD-or state-designated MID areas of: Brevard, Broward, Clay, Collier, Duval, Hillsborough, Lee, Miami-Dade, Monroe, Orange, Osceola, Palm Beach, Polk, St. Lucie, Volusia counties; 32084, 32091, 32136, 32145, 32771, 33440, 33523, 33825, 33870, 33935, 34266 ZIP codes. For Mobile/Manufactured Housing Units (MHUs), the damaged MHU must have been located in one of these areas at the time of the storm. Alternatively, the property may be located in a non-MID designated area that received a Presidential disaster declaration in response to Hurricane Irma.

2.3 Ownership

The applicant must currently be the owner of the damaged property to be eligible for the program. Applicants in default or foreclosure on the rental property may not proceed.

Applicants with outstanding liens and judgments must clear the liens and judgments to participate in the program. Applicants will have 6 months from the date of application to clear such liens and judgments.

Ownership will be verified through tax records, title searches or applicant provision of warranty deed. The program may consider other proof documentation on a case-by-case basis.

2.4 Use of Property

Applicant must prove that the property is currently used as a rental property and that it will continue to be used for long-term rental, not vacation or seasonal rental purposes. Alternatively, the applicant must certify that the property will be used for long-term rental once it has been repaired, replaced or reconstructed. A grant agreement, deed restriction, covenant or similar enforcement vehicle will be required and will be placed on the property because of an applicant obtaining assistance from HRRP. HRRP will monitor the marketing of the rental unit for compliance with Fair Housing standards. Rent rolls will be evaluated each year for the term of the applicable affordability period, after construction has been completed, to verify that the property has been rented to LMI individuals/households and that rent rates are in compliance with program requirements.

2.5 Property Taxes

All applicants must be current on their property taxes. HRRP will have the applicant provide documentation from the local Tax Assessor's Office or may obtain such information electronically from a local Tax Collector's Office.

2.6 Property Type

Single family structures and multifamily structures may be eligible.

2.7 Ineligible Applications

The following types of ownership are ineligible for assistance under this program:

- Property owners who lost ownership of their homes due to foreclosure are ineligible for assistance.
- Persons and properties found to be non-compliant with FEMA regulations or failed to comply with the requirements of the National Flood Insurance Reform Act are not eligible for assistance. Noncompliance in this context means a property where the owner failed to obtain and maintain flood insurance after receiving federal funding for a previous disaster.

2.8 Certification Requirements to Receive Assistance

All applicant(s) must agree to the following to receive assistance:

- Sign a release so that information provided by the applicant(s) can be shared with state and federal agencies and certain third parties to verify information given to the program. The applicant and co-applicant are required to sign the release (unless one of the eligible owners has provided power of attorney to the other to represent them, then the eligible owner does not need to sign release).
- Agree to verification of their ownership status, the amount of disaster-related damage to the home and assistance received by all previous sources.

- Agree to provide tenant income information to the program for review and approval prior to executing the lease and/or move in date.
- Agree to stop all on-going construction activities at the time of application.
- Maintain casualty insurance.
- Maintain flood insurance on the property in perpetuity if it is located in the 100-year floodplain.
- Swear to the accuracy and completeness of all information provided to the program under penalty of law.
- Acknowledge that any overpayment of benefit will be subject to recapture.
- All applicants must agree to sign a number of documents to receive assistance. These documents are fully explained in later sections and in the legal documents executed at contract signing or closing. This includes revised documents necessary to acknowledge changes post-closing.
- All HRRP-assisted rental units must be restricted for low- to moderate-income (LMI) persons during the affordability period. The rents, at a minimum, must comply with High HOME Investment Partnership (HOME) Rents. Rents may not exceed 30% of the monthly income for a household earning 80% or less of the Area Median Income (AMI).

Part 3 Duplication of Benefits

3.1 Overview

Eligible applicants may have previously received assistance from other sources for the repair of their storm damaged property. Under the requirements of *The Robert T. Stafford Disaster Assistance and Emergency Relief Act* (42 U.S.C. 5121, et seq.), as interpreted and applied by HUD, HRRP must take into account certain aid received by property owners in determining the amount of assistance which can be granted. HRRP will follow HUD's Duplication of Benefits Guidance. The following are sources of funding assistance provided for structural damage and loss that are considered Duplication of Benefits (DOB) and under federal law **must** be deducted from the assistance provided by Rebuild Florida HRRP:

- FEMA Individual Assistance for Structure (IA);
- FEMA National Flood Insurance Program (NFIP);
- Private Insurance;
- Increased Cost of Compliance (ICC);
- Small Business Administration (SBA)*; and,
- Any other funding source available to the applicant for the same purpose as the CDBG-DR grant that may duplicate assistance.

Funds received from any source including flood insurance, FEMA and hazard insurance that were used to cover repair to the property will reduce the amount of disaster assistance if the evidence of expenditures to repair the property at least equals the amount of assistance provided from the source. Documentation must be provided demonstrating the cost and type of repair conducted.

Any additional funds paid to applicants for the same purpose as the HRRP housing assistance award after the State has completed the repair, rehabilitation or replacement of the applicant's housing units must be returned to DEO.

*SBA inclusion in DOB may be revised in the future.

3.2 FEMA Disaster Recovery Grants

FEMA disaster recovery grants will be determined and verified by HRRP through the FEMA database. If HRRP is unable to verify the FEMA grant amount through the FEMA database, HRRP will use the payment amount provided by the applicant at the time of application.

If an applicant can provide documentation demonstrating that the FEMA grant amount provided by the FEMA database includes non-structural related amounts, HRRP will use the documentation provided by the applicant to adjust the FEMA grant payout amount. The documentation provided by the applicant must come from FEMA and it will be included in the applicant file.

3.3 FEMA National Flood Insurance Program (NFIP) Insurance

Any payments for loss to the dwelling during Hurricane Irma under NFIP insurance policies may be deducted from the amount the applicant is eligible to receive. Payments for contents or other expenses are not deducted from the award, as these are not duplicative of payments for structural loss. HRRP will verify payments by reviewing FEMA claim information or by providing a request for verification to FEMA. If an applicant can provide documentation demonstrating that the insurance proceeds amount provided by the FEMA database includes items not related to the structural loss, HRRP will use the documentation provided by the applicant to adjust the insurance payout within the DOB calculation. The documentation

provided by the applicant must come from the insurance company which issued the payments and it will be included in the applicant file.

3.4 Increased Cost of Compliance (ICC)

Structures damaged by a flood may be required to meet certain building requirements to reduce the risk of future flood damage before the structure can be repaired or rebuilt. To help cover these costs, the National Flood Insurance Program (NFIP) includes Increased Cost of Compliance coverage for all new and renewed Standard Flood Insurance Policies. ICC is a duplication of benefits if a structure owner requests reimbursement or additional assistance for elevation, demolition, flood proofing or relocation—one of the four options available under ICC—and has already received an ICC benefit under the NFIP. The program will determine DOB regarding ICC funds for elevation and/or demolition activities. If HRRP is unable to determine the amount/or purpose of the ICC proceeds using documentation provided by the applicant, such documentation will be considered on a case-by-case basis.

3.5 Private Insurance

All private insurance settlement amounts for loss to dwellings are considered a duplication of benefit and may reduce the amount of disaster assistance. Private insurance payments for contents or other expenses such as fences, storage sheds, etc., are not deducted from the applicant's award.

Insurance proceeds are determined and verified by HRRP by contacting the insurance company and verifying proceeds. If HRRP is unable to verify the private insurance proceeds through the insurance company, HRRP will use the claims payout provided by the applicant. If an applicant can provide documentation demonstrating that the insurance proceeds amount provided by the insurance company includes items not covered in the home evaluation or not paid to cover structural loss, HRRP will use the documentation provided by the applicant to adjust the private insurance payout in the DOB calculation.

Mold remediation is not included in the home evaluation for structural loss during insurance claims adjusting procedures. Therefore, insurance payments to cover mold remediation are not deducted from an applicant's funding assistance award. The documentation provided by the applicant must come from the insurance company which issued the payments or an order from an administrative proceeding or court of competent jurisdiction.

3.6 The Small Business Administration (SBA)

If the SBA has approved loan funds, the assistance is considered a DOB, and the amount of the loan must be deducted from the disaster assistance award. Even if the SBA loans offered are rejected by the applicant, the amount of the loans must be deducted from the applicant's award. This is because the SBA assistance has been determined to be available to the applicant for the purpose of rehabilitation by Federal law. In some circumstances, rejection of the SBA loan may be the result of a hardship. HRRP will consider SBA loan rejection based on hardship on a case-by-case basis. If HRRP determines that a loan would create a hardship, the amount of the SBA loan will be excluded from the Duplication of Benefits calculation and will not result in a reduced award.

SBA loan amounts will be verified by HRRP through the SBA database. If HRRP is unable to verify the SBA qualifying loan amount through the SBA database, HRRP will use the qualified loan amount provided by the applicant at the time of application. If an applicant is able to provide documentation demonstrating that the SBA amount provided by the SBA database includes amounts for a purpose other than home repair, HRRP will use the documentation provided by the homeowner to adjust the SBA loan amount in the DOB calculation. The documentation provided by the homeowner must come from SBA and it will be included in the homeowner file.

3.7 Allowable Cost of Repairs

Applicants may have used benefits received from insurance, SBA and FEMA or other sources to make repairs to their Hurricane Irma-damaged property. The HRRP may be able to deduct verifiable amounts of these expenditures from the DOB assessment. The applicant will be required to document repairs made to the home with receipts and photographs. Copies of all receipts that support repairs to the home must be provided to the program to document eligible expenditures. HRRP will accept self-certifications when calculating the amount of repairs if the applicant lacks receipts to document all or part of the cost of repairs. For self-certification, the following requirements apply:

- 1) The applicant must provide a signed self-certified statement that documents, in detail, all labor and or repairs made to the damaged property following the hurricane;
- 2) A program inspector must determine with reasonable assurance that the repairs were made after the date of the hurricane; and,
- 3) Documentation, through photographs, that the repairs were made.

3.8 Contractor Fraud

If an applicant was a victim of contractor fraud, the amount paid to the contractor is not to be counted as a duplication of benefit provided the applicant filed a police report and made every reasonable effort to recover the funds prior to the date of the application.

3.9 Forced Mortgage Payoff

If an applicant's mortgage company placed a force payment on insurance proceeds, the insurance amount may not count as a DOB. In such cases, the amount verified by HRRP that was used for this purpose can be excluded from the DOB calculation if it is supported by appropriate supporting documentation. Such documentation should be in the form of a letter that is on mortgage company letterhead and signed by an authorized mortgage company representative stating the applicant was required to use their disaster assistance funds for mortgage pay down. HRRP will attempt to verify this information with the applicant's mortgage company. The determination of whether the documentation provided is sufficient to be removed from the DOB calculation will be made by the HRRP. Voluntary mortgage payoff, using insurance proceeds, is a DOB that will be counted in an applicant's award calculation.

3.10 Legal Fees

Legal fees that were paid in successfully obtaining insurance proceeds will be credited to the applicant and will not be deducted as part of their DOB. Applicants will need to provide evidence of payment and a judgment or settlement document demonstrating applicant success in the legal action. All other legal fees that an applicant may have paid out of any disaster assistance proceeds will be deducted as part of their DOB.

3.11 Tax Filings

Personal income tax filings related to losses to the home do not affect funding assistance awards and are not considered DOB. Applicants should consult their personal tax consultant to seek guidance regarding any tax related matters.

3.12 Calculating the Amount of DOB Offset

Documented expenses for eligible home repair related to Hurricane Irma will be totaled and considered for credit to the applicant. Acceptable forms of documentation include:

- Copies of all receipts that support repairs to the home;

- Self-Certification statement that details home repair expenses and labor;
- Police reports and all other documentation of attempts to recover funds, filed prior to application, that verify contractor fraud;
- Invoices confirming legal fees associated with successful insurance proceed collection; and
- Letter from the applicant's mortgage company or bank confirming a forced mortgage payoff or pay down.

In instances where home repair receipts do not fully account for the funds received, HRRP will evaluate the repairs documented in the Self-Certification of Repairs and determine the value of the storm related repairs performed. Self-certified statements of applicants must be reviewed in detail by HRRP to determine:

- Whether the home was repaired to code;
- Whether the repairs could be reasonably determined as occurring after the hurricane; and
- A reasonable value of the cost of repairs to the home (including possible labor).

The documentation provided by the applicant and the value assigned by HRRP, as required, will be totaled and compared to the benefits received for Hurricane Irma home repairs. If the total benefits received exceed the documented amount of home repair or reconstruction expenses, then the shortfall may be deducted from the applicant's program award.

Applicants with funding gaps must fund the shortfall in order to complete construction. If an applicant elects to fund a shortfall, the applicant must secure the funding before the time of signing the contract. Repair expenses in excess of the prior benefits received will not be reimbursed by the program.

3.13 Subrogation

Subrogation is a legal doctrine that allows one person to take on the rights of another. In the context of disaster recovery grants, a homeowner must enter into a subrogation agreement where the funding agency (DEO) obtains the right to collect any additional disaster recovery or insurance payouts the homeowner receives for Irma damages after the homeowner has entered into a grant agreement for HRRP benefits.

All duplicative funding received must be remitted to or accounted for by the program, regardless of when it is received by the applicant. If applicants receive additional funding for the same purpose as the HRRP award (permanent repair to storm damaged home) even after the HRRP award is executed or construction is completed, the applicant is required to report the additional funding to the program.

By accepting the award, applicants agree that they will report any duplicative funds to the program whenever received. Upon receipt of a report that additional benefits have been received, the program will recalculate the applicant's award and provide instructions whether the applicant's award will be reduced by such amount, or whether the applicant must remit such amounts to the program as reimbursement (when additional assistance is received after program disbursements). Each applicant will execute and be bound by a subrogation agreement.

Part 4 Inspections and Environmental Reviews

4.1 Overview

All federal regulations regarding lead-based paint, environmental review, housing quality standards, procurement, labor standards, etc. apply to this program. If issues are identified with an application, an application may be required to undergo additional reviews, and this may take additional time to resolve.

The program will perform an environmental review and on-site inspection of damages upon completion of all third-party verification required by HRRP. An environmental review must be performed on each applicant's property for that property, and thus the applicant, to be eligible for the program. Applicants will be notified in writing, at the application submission stage, to cease any work in progress on a damaged residence until the environmental review is complete. Applicants who do not cease work may not be eligible for the program. The program inspector will note work that has been started and/or completed.

4.2 Initial Inspection and Damage Verification

All property improvements must be for unmet housing needs resulting from Hurricane Irma. Non-hurricane damage may only be addressed on structures that also have hurricane-related damage. Structures built before 1978 must be inspected for lead-based paint hazards. Where such hazards are detected, the applicant(s) will be notified and appropriate steps will be taken to mitigate dangers from lead-based paint.

Program staff will conduct site visits to observe and record the presence of unrepaired storm damage resulting from Hurricane Irma, to determine the extent of damage and to determine the estimated cost of rehabilitation. The applicant will need to be present for these site visits. The inspector will be required to inspect the interior of the home to observe and record damages. The inspector will note any environmental concerns on the site or nearby that could affect the evaluation.

The Scope of Work Estimate (SWE) provides a documented line item by line item estimate of the damages observed during an onsite visit to a homeowner's property that quantifies the materials and labor necessary to repair observed damages.. The SWE is calculated using the classifications defined in the 2018 National Reconstruction Cost Book and incorporates costs necessary to ensure that the property meets the Construction Code – the International Residential Building Code (IRC) as well as meeting HUD HQS. The SWE does not provide an evaluation that takes into account an exact replacement of applicant's original property. In contrast to insurance estimates that may be based on replacement costs, the SWE evaluation is based on standards for basic livability developed for the program and on costs developed by the construction industry for those items. The methodology used to prepare the SWE is to account for those scope items that can be counted, measured or observed. No destructive testing is used to create these estimates.

4.3 Eligible and Ineligible Items

Items damaged by Hurricane Irma such as, air conditioners, heating systems and water heaters are eligible to be replaced under the HRRP. Appliances and housing components that are not integral to the structure of the home and are not essential to basic health and safety, such as washers, dryers and detached garages and carports are not eligible to be replaced under the HRRP. Luxury items and items with a quality grade above basic standards are not eligible to be replaced in a like-for-like manner.

4.4 Environmental Review

The program will conduct a Broad Environmental Review at the programmatic level. This will include coordination with Federal, State and local agencies where applicable. Additionally, all applications must

pass a federally-required site specific environmental review which contains a statutory checklist of required review items. The review will be performed at the program's expense. Site specific reviews will include the review of HUD defined environmental review topics, each of which may result in a site visit to the applicant property for further investigation.

Any issue that cannot be cleared through the environmental review process will need to be mitigated either before or during program construction. The program may pay for mitigation of issues identified during the environmental review if it is deemed an eligible activity. Applicants will receive all federally required notifications.

The environmental review is a separate and distinct review from any other review. Other previously performed (or applicant-provided) environmental reviews will not satisfy the program's requirements. If an environmental condition identified on an applicant's property cannot be cleared, the property may not be eligible for assistance.

Part 5 Award Determination

Awards may include expenses for additional related costs such as green building and mitigation 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, 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 will also be eligible.

Elevations will be included for applicant properties 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 of where elevation is required by local ordinance. The program will follow HUD guidance to ensure all structures, defined at 44 CFR 59.1, designed principally for residential use and located in the 1% 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 1% annual floodplain elevation.

The formula below is how the program will calculate an applicant's award:

- 1) Identify Eligible Repair Costs,
- 2) Identify all Potentially Duplicative Assistance (DOB),
- 3) Deduct Assistance Determined to be Duplicative (DOB),
- 4) Apply Award Cap of \$150,000, and then
- 5) Compare Determined Award Value to Cost of Comparable Reconstructed or Replacement Housing to determine if the benefit will be reconstruction, replacement or rehabilitation.

Eligible Repair Costs/Need: The program will determine an eligible repair estimate using information from the inspection. The repair estimate will be valued based on economy/standard grade materials and industry-standard labor costs.

Calculating Potential Duplication of Benefits (DOB): The full DOB will be accounted for at the time of the repair award calculation. The DOB check will be completed prior to the execution of the Grant Agreement and again prior to the processing of the final draw of funds.

All DOB funding must be accounted for prior to the applicant receiving an award. Applicants with a duplication must place all DOB funding in the program's escrow account. Further guidance on escrow accounts will be provided by the program.

Part 6 Pre-Construction

6.1 Escrowed & Supplemental Funds

Applicants must provide funding to cover gaps in the cost of construction if there is a gap in funding caused by a DOB. Additional funds provided by applicants will be escrowed to be used during the construction of the home. Applicants may not escrow funds for construction activities such as upgrades, additions or other unnecessary activities. Applicant-provided funds that are put into escrow for DOB will count toward the CDBG-DR cap limits. All escrowed funds will be drawn down first, prior to the use of program funds.

6.2 Lead-based Paint Hazard Identification

If the unit to be assisted was built prior to 1978, the assisted unit will be tested for the presence of lead-dust hazards. If present, the stabilization, encapsulation or removal of lead-based paint will be considered in the costs of rehabilitation. Lead paint inspection provides two benefits: (1) the costs of mitigation measures are considerable and must be factored into the cost estimates for repair and (2) the health risks to residents, particularly children and the elderly, may be severe.

6.3 Development of Costs for Repair Projects

For projects that qualify for rehabilitation, the HRRP will develop site specific sets of plans and specifications that will be used to describe the scope of work to repair and establish the quantities and quality of materials to be used. A dimensioned, floor plan sketch and roof plan of the existing home will be provided for each project. A detailed scope write-up will also be provided. A mandatory pre-construction meeting will be conducted on site to review the scope of work and answer any questions. Any additional scope noted during this visit will be added to the SWE and feasibility of the project will be reassessed.

6.4 Replacement Mobile/Manufactured Housing Units (MHUs)

For Mobile/Manufactured Housing Units (MHUs), standard floor plans that meet program Green Building Standards will be available. Size and configuration of bedrooms will be determined based on HUD occupancy standards, as applicable.

6.5 Reconstruction Determinations & Plan Selection

Reconstruction estimates are based on the total area of the eligible rooms of the home. The total area value is obtained from the repair estimate. It is created by sketching the rooms of the structure that are eligible for repair. The repair estimate process does not sketch porches. They are therefore, automatically excluded. The repair estimate process also excludes carports, unattached structures or structures attached by a breezeway. This process will result in the calculation of the eligible reconstruction square footage.

The program will establish an eligible price per square foot cost factor to establish a replacement allowance for the home plus a separate cost of elevation, if required. The program will then multiply the eligible square footage, as determined in the previous paragraph, by the applicable price per square foot cost factor to determine the cost of a comparable replacement unit.

Reconstruction estimates are performed on all homes and are the only type of estimate performed when a home is unsafe to enter or has been demolished or partially demolished. A separate cost of elevation, when applicable, will be added.

- **Unsafe Conditions:** Unsafe conditions include but are not limited to: structures whose load bearing walls, columns, or other support components have been compromised; structures that have strong

industrial or chemical odors or vapors emanating from the home; or structures that have been marked by the local authority as being unsafe to enter. If any of these conditions or similar conditions exist, the Assessor can, upon consultation with a supervisor and documentation in photos and a written description, limit the Assessment to a reconstruction estimate.

- **Demolished structures:** If a structure has been demolished or partially demolished, the Assessor can conduct a reconstruction estimate only. The Assessor takes photos to document the condition and measures the footprint and area eligible for reconstruction. If the area eligible for reconstruction cannot be established by the Damage Assessor (for example a 100% destroyed home with a cleared foundation), the HRRP will work with the applicant to obtain the missing information from:
 - Pre-flood appraisal or real estate sales documents;
 - County Property Appraiser information;
 - Insurance estimates;
 - Photographs; and/or
 - Aerial photographs.

The program may use other approved methods to establish eligible reconstruction area and the reconstruction estimate when documentation from on-site inspection is unavailable. Information collected to verify square footage of homes from sources other than the home estimate must be provided to the program. Collection of the documentation is primarily the applicant's responsibility.

The program makes the final decision on the eligibility of an applicant and, if eligible, the structure type and square footage used for grant calculation. Whether the award will be for reconstruction, replacement or repair is based on the following formula:

(Repair Estimate/Reconstruction Estimate) x 100 = relative percentage of cost of repair to cost of reconstruction

If an applicant's project is calculated as less than the 75% threshold for reconstruction, the project will proceed as a repair project. If the relative percentage of damage is equal to or more than 75% of the reconstruction amount, the applicant's award will be a reconstruction award.

There are occasional exceptions that may convert a repair project to a reconstruction project. For instance, any unforeseen construction conditions identified after execution of the grant agreement may result in a project cost increasing to or above the 75% threshold. Additionally, structures that have been determined to be substantially damaged or condemned by a governing municipality, or structures that are determined to be unsafe to enter by program staff, may be converted to a reconstruction project. Files that meet any of the aforementioned criteria will be reviewed on a case-by-case basis.

The program will offer standardized new house designs for reconstruction projects. HRRP will not provide customized home designs. The program will determine which floor plan size each application requiring reconstruction is eligible to use by evaluating the original damaged structure's eligible square footage and HUD occupancy standards, as applicable. The program will build the home to the Energy Star Certified Home standard.

Variations to the methodology described above may be required to meet HUD Occupancy Standards. In such cases, the variance will be documented, and such documentation will constitute justification for the variance.

6.6 Contractor Assignments and Construction Agreement

Contractor assignments will be issued to a construction contractor from the DEO Contractor pool that was procured to support construction efforts associated with CDBG-DR programs. Each repair or replacement project will be subject to a construction contract or agreement. This agreement will establish performance measures to ensure timely construction.

6.7 Contract Execution Documents

The following documents will be signed by the applicant at the time of contract execution. As required documentation may change, this list will be updated periodically.

- Agreement to maintain flood insurance and notify future owners (if in 100-year floodplain)
- Subrogation Agreement
- Applicant/Contractor Agreement
- Applicant/DEO Grant Agreement
- Work Write-Up Document
- Escrow Agreement (if applicable)
- Any other documents required by HRRP

6.8 Notice to Proceed

Notice to Proceed is given after HRRP approves the contract and performs all administrative assignment procedures; the applicant or tenant belongings are removed from the home (if necessary); the contractor obtains necessary permits; and utilities are terminated (if applicable).

6.9 Contractor Requirements

- 1) All contractors will carry and provide proof of a current general liability policy in at least the aggregate amount of all contracts awarded in this program within 10 business days of award. Failure to do so may result in termination of award.
- 2) All contractors must secure and provide proof of performance and payment bonds within 10 business days of award. Failure to do so may result in termination of award.
- 3) The contractor will be responsible for documenting (with photographs and written reports) any pre-existing and pre-storm damage to the property that has not been included in the scope of work.
- 4) Contractors are responsible to comply with HUD's Lead Safe Housing Rule; EPA Renovation, Repair and Painting Rule; and all other applicable rules and regulations. Project sites are required to be in full compliance at all times.
- 5) All firms performing, offering or claiming to perform renovations for compensation in target housing must comply with EPA's RRP Rule and EPA's Lead-Pre Renovation Education (Lead-Pre) Rule. Regulatory requirements can be found at 40 CFR Part 745 Subpart E – Residential Property Renovation. This means that all general contractors participating in this disaster recovery program must be EPA certified. In addition, all individuals performing renovation work on behalf of the firm must be certified renovators.
- 6) The contractor will be responsible for determining utility needs, providing sanitary facilities and safely operating equipment on site and obtaining any required permits.

- 7) The contractor is required to attend pre-construction meeting with the applicant and a HRRP representative.
- 8) Upon receiving a Notice to Proceed from HRRP, contractors will begin work within 15 days. Any contractors who disturb the site prior to receiving a Notice to Proceed will automatically lose their contract and funding with no recourse.
- 9) All work performed by the contractor will be guaranteed for the following periods:
 - 1 Year – general warranty for repairs to the home;
 - 2 Years – electrical, plumbing, and mechanical warranty (if such work is performed); and
 - 10 Years – structural warranty (if structural work is performed).

Such warranty will be stipulated in the construction contract. For the specified period in the warranty, from the time of final inspection, the assisted applicant may require the contractor to correct defects or problems arising from his or her work under this contract. Should the contractor fail to do so, the assisted applicant may take any necessary recourse by contacting HRRP. A reasonable amount of time will be given to correct the problem; however, in no case will such time exceed two weeks to respond.

Part 7 Construction

7.1 Overview

Repair is defined as non-emergency repair or renovation of a limited specified area or portion of a housing structure. Repair will also be defined as bringing rehabilitated portions of properties into compliance with local building codes, and the entire structure into compliance with HUD Minimum Property Standards (MPS) (or applicable Building Code being enforced) and Housing Quality Standards (HQS) including compliance with Section 31 of the Federal Fire Prevention Control Act of 1974 and local building codes and standards.

- The entire structure must also be in compliance with minimum property standards (MPS) established by the program which are based on HUD's Housing Quality Standards, Florida Green Building Code (where applicable), HUD Green Building Retrofit Checklist (where applicable) and all state and local code requirements.
- Repair will be limited to stick built and modular structures that have been deemed feasible for repair or Mobile/Manufactured Housing Units (MHUs) that are less than 5 years old and have less than \$15,000 worth of scope (hard and soft costs combined) necessary to bring the property to program construction standards.

Reconstruction will be defined as the demolition, removal, and disposal of an existing housing unit and the replacement of that unit on the same lot, and in the same footprint, with a new unit that complies with the International Residential Codes (IRC), as required by the Florida Code.

Replacement is the demolition and removal of a modular or manufactured housing unit followed by the replacement of that unit on the same lot, and in the same footprint as the original unit.

Elevation will be conducted by means of pier and beam construction. Fill to achieve proper elevation height will not be eligible.

7.2 Lead-based Paint Disturbance and Mitigation

Contractors must ensure the following minimum requirements are met at all times:

- All sites are clean and protective covering is placed where required by applicable regulations during the renovation, especially when paint disturbing activities are taking place.
- All workers on site are to have proper certifications with them while on site.
- The lead renovator's certificate is required on site at all times from the start of the renovation until the final lead clearance has been achieved.
- Ensure proper techniques are being used when performing paint disturbing activities.
- At a minimum two items are required to be posted at all times to be seen clearly by anyone approaching the site and all workers until final lead clearance is achieved. See below.

- 1) Environmental Protection Agency (EPA) RRP required warning signage in English and Spanish



- Example Signage

- 2) Occupational Safety and Health Administration (OSHA) required lead warning signage in English and Spanish



- Example Signage

If site conditions are noncompliant, a stop work order will be issued until all issues are resolved and verified by Program staff. The time the project is on hold will be included when calculating construction duration and is considered fault of the contractor. The stop all work order will also be taken into consideration when determining future assignments and participation in future projects.

7.3 Repair and Reconstruction Progress Inspections

HRRP will perform site visits for each repair project at the request of the contractor at pre-determined stages during critical construction activities as described in the Contract Execution Documents. These visits will occur after all required municipal code enforcement, and/or third-party inspections have taken place.

7.4 Final Inspection and Warranty Information

The final inspection is used to verify that the work was done according to the plans and specifications and meets the program construction standards. Once construction has been completed, the contractor will request a final site visit to guarantee that all work outlined in the contract has been satisfactorily completed according to the appropriate state and local codes and standards and the home meets the

housing standards. The final site visit confirms that all work has been completed and been accepted by building code enforcement and-or third-party Inspectors including all items on a punch list.

Contractors must provide all warranties prior to the inspector signing a final inspection form. Photographs will be taken for documentation purposes. At this time, the applicant will be provided instruction booklets and warranty information.

7.5 Re-inspections

Should the HRRP personnel observe any fault(s) during inspections, the contractor will be informed of the fault(s) and be provided a written report of the findings. When the contractor has remedied the fault(s), he may request a re-inspection to be performed. Failed inspections may result in the assessment of an additional fee to the construction contractor for re-inspection.

7.6 Change Orders

Where additional work is necessary to make repairs or to correct unforeseen or dangerous conditions, the contractor will submit to HRRP a Change Order consisting of a detailed description of the work needed, including quantities and location, the cost of such work and the time necessary for such work to be completed. Unless it is determined there exists an immediate health and safety danger, NO WORK SHALL BE AUTHORIZED until agreed upon in writing by HRRP. All Change Orders will be reviewed for cost reasonableness and eligibility.

7.7 Applicant Responsibilities during Construction

The HRRP will not be responsible for lost or damaged belongings of the applicant or tenants that may have occurred during construction. The applicant must secure or relocate his/her and tenant belongings until construction is complete.

- 1) Upon the signing of the contract, the applicant will have 30 calendar days to move tenants out of the property and store any valuable personal property that might be damaged during construction.
- 2) The applicant must arrange access to the property for building contractors providing construction services. If reasonable and timely access is denied to a building contractor who is attempting to make a good faith effort to perform required repairs, the applicant will be removed from the program.
- 3) The applicant is responsible for the security of his/her property and personal belongings. Movement, storage and security of personal property are the applicant's responsibility.
- 4) During construction the applicant must not interfere in repair areas and must make a reasonable effort to stay away from the construction zone.
- 5) All debris, abandoned vehicles, and buildings that pose a safety and/or health threat as determined by the local jurisdiction or person qualified to make such a determination, must be removed from the property prior to the start of construction. Applicants must remove dilapidated personal property.
- 6) The applicant must provide all existing utilities as needed for use by the building contractor during construction.

Part 8 Affordability Compliance

These requirements include:

- 1) Maintaining the property as long-term, not seasonal or vacation, rental property for single family rental units affordability periods will be established by the requirements of local governments, if up to 7 units.
- 2) Maintaining the property as long-term, not seasonal or vacation, rental property for a term of at least 15 years if 8 units or more.
- 3) Leasing all units to tenants who have eligible household incomes (80% AMI or below).
- 4) Charging rents that are at or below, at a minimum, High HOME rents.
- 5) Following income certification and verification procedures and keeping records on all tenants' income.
- 6) Maintaining complete and accurate rent rolls.
- 7) Providing an annual compliance report to DEO to demonstrate compliance with the grant agreement and restricted use of the property.
- 8) Renting units in accordance with HUD Fair Housing Standards.

Appendix A Affirmative Marketing Plan

The program is committed to affirmatively furthering fair housing through established affirmative marketing policies. Affirmative marketing efforts for the disaster funding will include the following:

- A. This Affirmative Marketing Plan, based on the U.S. Department of Housing and Urban Development (HUD) regulations, outlines the policies and procedures for housing activities. Procedures are established to affirmatively market units financed through the program. The procedures cover dissemination of information, technical assistance to applicants, project management, reporting requirements and project review.
- B. The goal is to ensure that eligible persons from all racial, ethnic, national origin, religious, familial status, the disabled, “special needs,” gender groups and populations least likely to apply for assistance are given the opportunity to rehabilitate their rental property, which sustained damages due to Hurricane Irma and/or its after-effects.
- C. In accordance to the affirmative marketing policies and procedures, program participants will be informed about available opportunities and supporting requirements via counselors, printed and electronic materials, publications, direct contact, workshops/seminars, and through the placement of flyers/posters in public facilities.
- D. The HRRP will conduct marketing through widely available media outlets, efforts will be taken to affirmatively market the Rebuild Florida CDBG-DR program as follows:
 - Advertise with media outlets which provide unique access for persons who are considered members of a protected class under the Fair Housing Act.
 - Reach out to public or non-profit organizations and hold/attend community meetings.
 - Other forms of outreach tailored to reaching the eligible population, including door to door outreach if necessary.
- E. Applications and forms will be offered in English and other languages prevailing in the region. In addition, every effort will be made to assist Limited English Proficient potential applicants in the application process.
- F. In addition, measures will be taken to make the program accessible to persons who are considered members of a protected class under the Fair Housing Act by holding informational meetings in buildings that are compliant with the Americans with Disabilities Act (ADA), providing sign language assistance when requested (with 3 day notice), and providing special assistance for those who are visually impaired when requested (with 3 day notice).
- G. Documentation of all marketing measures used, including copies of all advertisements and announcements, will be retained and made available to the public upon request.
- H. HRRP will use the Fair Housing logo in program advertising, post Fair Housing posters and related information, and, in general, inform the public of its rights under Fair Housing regulations.

Appendix B Reconsideration/Appeal/Complaint Process

RECONSIDERATION, APPEALS & COMPLAINT PROCESS

In accordance with 24 CFR 91 Citizen Participation Plan and 24 CFR 570.486(a) (7), the HRRP has developed the reconsideration, appeals and complaints process. Through the reconsideration process, applicants have a mechanism for requesting further review on a decision made on their file. Once exhausting the reconsideration process, should an applicant disagree with the result of the request for reconsideration, the decision of the HRRP can be further reviewed through an agency informal appeals process. Program policies are not appealable. In addition, citizens may file complaints- both formal and informal- which will be responded to in 15 working days.

Information about the right and how to file a reconsideration request, agency informal appeal and complaint will be printed in all guidelines and posted on the Rebuild Florida website, www.rebuildflorida.gov, in all local languages, s appropriate and reasonable.

Program Reconsideration

Throughout the process, decisions will be made on an application and/or project to be delivered. The decisions are made based on statutes, codes of federal regulation, local administrative code, state and local guidelines as they are interpreted by the Program. This policy guides the process for an applicant or contractor requesting program reconsideration of decisions made by the HRRP.

Grounds to request reconsideration of a decision. Applicants who have applied for funding for disaster recovery may only request reconsideration of the disposition of a program decision on one or more of the following:

1. Eligibility items related to ownership, occupancy, storm damage, and property taxes.
2. Procedural error where the application was not processed by program staff in accordance with program policies and procedures
3. The amount of funding the applicant is eligible to receive
4. Duplication of Benefits estimates
5. Construction issues

A contractor may only request reconsideration for the issues related to draw payment or failure to meet benchmark construction deadlines.

Reconsideration request of local program decision. A party requesting reconsideration must file a written request for reconsideration with the HRRP to request a review not later than 30 days after the date the action to be reconsidered has occurred or when notice has been provided. The written request must include specific information relating to the challenge of the HRPP decision. HRRP will acknowledge receipt of the request. HRRP will respond in writing to the request no later than 15-working days after the date of receipt of the request. The response may take one of the following actions:

1. Acknowledgment of receipt of the request for reconsideration and notification that the review of the applicant file may take longer than 15 working days;
2. Request for additional supporting documentation or information from the applicant;
3. Status of the investigation and estimated timeframe for decision; or
4. Final determination of the issue:

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- a. Concur with the request and make the appropriate adjustments to the staff member's decision; or
 - b. Disagree with the request and provide the basis for rejecting the request for reconsideration to the party.

Should an applicant disagree with the result of a request for reconsideration, the applicant will be provided with a notice of administrative right to appeal and instructions for the appeal process. In addition, applicants have the opportunity to file an informal appeal conducted by Department.

Appeals

DEO Informal Appeal: Once exhausting the reconsideration process, should an applicant disagree with the result of the request for reconsideration, the decision of the HRRP can be further reviewed through an agency informal appeals process. A party requesting a DEO informal appeal must file a written request for informal appeal not later than 30 days after the date of the decision of reconsideration request or when notice has been provided. In an informal appeal, DEO will conduct investigations, as necessary. In addition, an informal appeals hearing will be held, as necessary. Normally, the informal appeals hearing will be held by telephone with all involved parties on a conference call. After a complainant files the request for a DEO informal appeal, the following events will occur:

1. A Notice of Hearing will be mailed, listing the date, time and contact information for the scheduled hearing
2. Once the appeal hearing is complete, a decision of the result will be distributed

Formal Appeal / Notice of Administrative Appeals Rights: Any person whose substantial interests are affected by DEO's determination has the opportunity for an administrative hearing pursuant to section 120.569, Florida Statutes. For the required contents of a petition challenging agency action, refer to rules 28-106.104(2), 28-106.20(2), and 28-106.301, Florida Administrative Code.

Depending on whether or not material facts are disputed in the petition, a hearing will be conducted pursuant to either sections 120.569 and 120.57(1), Florida Statutes, or sections 120.569 and 120.57(2), Florida Statutes. Pursuant to section 120.573, Florida Statutes, and Chapter 28-106, Part IV, Florida Administrative Code, mediation is available to settle administrative disputes. Any petition must be filed with the Agency Clerk within 30 calendar days of receipt of DEO's determination

If an applicant files a request for reconsideration or informal appeal, the requirement to timely file a petition challenging agency action will be tolled until a decision under either method is rendered by the Department. At that time a new appeal window will begin. No applicant will lose their rights under Chapter 120, Florida Statutes, by filing a request for reconsideration or request for informal appeal.

Uniform Relocation Act (URA) Appeals

Tenants may appeal any case in which he or she believes that HRRP has failed to properly consider his or her application for assistance. This includes, but is not limited to, the tenant's eligibility for, or the amount of, a payment required for relocation assistance. The tenant must appeal HRRP decisions related to relocation assistance within 30 days of receiving a written determination from HRRP outlining the program's decision related to his or her eligibility for benefits or amount of benefits.

Complaints

The goal of the HRRP is to resolve complaints in a manner that is both sensitive to the complainants concerns and to achieve a fair result. The HRRP will treat all complaints with respect, and respond to complainant inquiries as to the status of the complaint. The program will acknowledge each complaint received and provide a response within 15 working days, where practicable.

Information on how to file a complaint will be available at the program offices and included on printed materials as well as be available on the website.

Informal Complaints

Complaints that are brought forward verbally will be addressed where possible no matter the source. The mechanism to address this is to make certain the person is aware of the formal complaint process and/or address the complaint verbally. An informal complaint or complaints that do not have a contact will not be included in the complaint tracking system. Instead, informal complaints will be placed in an informal complaint file.

On an informal complaint the HRRP should:

1. Obtain all pertinent information, including the issue raised and if possible, the name of the complainant and a contact to obtain further information if desired. If no name or contact number is left, then that should be noted and placed in an informal complaint file—either electronic or hard copy.
2. The HRRP should review these complaints at least monthly to determine if there is a pattern developing and, if so, determine if the issue warrants a policy change or further training.

Formal Complaints

Formal complaints are any written statement of grievance—including e-mails, faxes or letters that provide a contact with whom program staff can communicate the results of an investigation. Any complaint that does not have a point of contact will be treated as an informal complaint. Any complaint forwarded to the HRRP from HUD will be considered a written complaint.

Required Documentation

1. Every formal complaint will be included in a complaint tracking system and maintained as either an electronic or hard copy file. Formal complaints filed will include:
 - a) The name of the complainant and a contact address
 - b) The date the complaint was received
 - c) A description of the complaint
 - d) The name of any person contacted to resolve the complaint or to gather information to resolve the complaint
 - e) A summary of the results and the date of the response to complainant
 - f) An explanation of the reason the file was closed if the file was closed.
2. Once the complaint is in the tracking system the HRRP will determine if the complainant has standing. A complainant has standing when the complainant is an applicant, contractor or direct party and has a contact address. If a complainant has valid standing, the HRRP will perform the following steps:
 - a) Assign a control number to the complaint

- b) Review and/or investigate the complaint
- c) Once the complaint has been resolved, or if it needs more work than can be done at the local program level, refer the complaint to the appropriate office to seek resolution.
- d) Provide a copy of the final result to HRRP if applicable.
- e) Provide a copy of the policies and procedures relating to investigation and resolution to the complainant and to each person who is subject of the complaint.
- f) Notify the complainant of the results, or if longer than 15 days, provide a status of the review process.
- g) Close the complaint.

Fair Housing Complaints

Persons alleging a violation of fair housing laws will be referred to DEO's local contact and process to file a complaint. DEO will retain a log and record of all fair housing inquiries, allegations, complaints and referrals. In addition, DEO will report suspected non-compliance to HUD.