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Florida Department of Community Affairs
2005 Disaster Recovery Initiative Action Plan
addressing Hurricanes Katrina and Wilma



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The Impact of the 2005 Hurricane Season

The 2005 Atlantic hurricane season developed as the most active season on record, shattering historical records. The season included 27 named storms, with 15 hurricanes, of which, seven were major. It was by far the most devastating hurricane season the country has experienced in modern times.

During 2005, four hurricanes impacted the State of Florida. On July 10, Category 3 Hurricane Dennis struck the Florida Panhandle, which was still recovering from the devastation caused by Hurricane Ivan less than a year before. On August 25, Hurricane Katrina hit just north of Miami as a Category 1 storm, causing tornadoes and wind damage in Southeast Florida. On September 20, Hurricane Rita passed just south of the Florida Keys, causing flooding and storm surge in the chain of islands. On October 24, Category 3 Hurricane Wilma struck the southern peninsula of Florida, causing major damage in Southwest Florida, the Florida Keys and heavily populated counties in Southeast Florida. Hurricane Wilma caused the largest disruption to electrical service ever experienced in Florida, with as much as 98 percent of South Florida without power after landfall. Wilma ranks as one of the costliest hurricanes on record. By the end of hurricane season, 39 of Florida's 67 counties had been declared a federal disaster area.

The catastrophic storms destroyed and damaged thousands of homes. More than 40,000 roofs were temporarily repaired through the Corps of Engineers "Blue Roof" program. FEMA made available nearly 3,000 travel trailers and mobile homes for left homeless by the storm.

More than 625,000 Floridians registered for FEMA assistance. More than \$850 million in federal assistance was provided to disaster victims during the hurricane season, including:

- △ Nearly \$150 million in grants for housing repair and rental assistance, and \$257,400,000 in grants to repair or replace personal property.
- △ Nearly \$200 million in grants to repair or replace personal property.
- △ More than \$500 million in low-interest loans from the U. S. Small Business Administration to repair storm-damaged homes and businesses.

Even as our state continued to prepare, respond and recover from hurricanes, Florida quickly responded to the request from federal and state emergency managers to support our neighbors in the wake of Hurricane Katrina. Within hours of the second landfall of the catastrophic storm along the Gulf Coast, Florida began deploying first responders in Louisiana, Mississippi and Alabama. More than 3700 Floridians, including members of the Florida National Guard, Florida Highway Patrol, Florida Department of Law Enforcement, county sheriffs, local police and fire departments, specialized search and rescue teams, emergency response managers, doctors, nurses and medical professionals, came to the aid of the people in those states. Along with essential equipment and communication tools, Florida advanced more than \$100 million in these efforts, providing more than 5.5 million gallons of water, 4 million pounds of ice and 934,000 cases of food to help affected residents.

State of Florida Response

The executive and legislative branches of government have made hurricane preparedness, response and recovery a statewide priority. In January 2006, Governor Bush and Lt. Governor Jennings announced their legislative budget recommendations totaling \$565 million for hurricane preparedness, response and recovery. One of Governor Bush's highest priorities is to establish a "Culture of Preparedness" to ensure that Florida's families and businesses as well as all levels of government take necessary safety measures as we prepare for the 2006 hurricane season.

The Governor's budget recommendations include both immediate and direct responses, as well as long-term measures for preparedness and recovery.

- **Instilling a Culture of Preparedness:** \$97.3 million, including a comprehensive public education campaign, an annual hurricane tax holiday for hurricane preparedness supplies such as batteries, tarps, portable generators, and tie-down kits, and a housing retrofit program to increase the protection of at least 10,000 homes against the destructive impacts of hurricanes.
- **Making a Great Emergency Response Even Better:** \$154 million, including installing permanent emergency power for special needs shelters, expanding our general population shelter space, updating our evacuation plans, improving our logistical planning and operations, and constructing and enhancing emergency

operations centers for Florida's counties.

- Continuing Our Road to Recovery: \$314 million, including \$302 million to continue our hurricane housing recovery program, and \$12 million to ensure we have skilled craftsmen in all areas of the construction industry to meet our housing construction demands.

For Wilma alone, as the 2005 season closed, the Department's Division of Emergency Management assisted the 13 counties which received major disaster declarations from FEMA for Individual Assistance. To date, over 588,000 Floridians have applied for \$327.5 million in federal disaster benefits. Another 20 counties were eligible for the Public Assistance program to restore governmental infrastructure. Through this program, payments of over \$410 million have been processed for infrastructure, debris removal and emergency work in the wake of Hurricane Wilma, with payments of more than \$800 million expected to be processed over the next few years. In addition, the Hazard Mitigation Grant Program (HMGP) provides for long-term funding of projects in Florida's communities to make neighborhoods disaster resistant. Based on the severity of Hurricane Wilma's impact, Florida may be eligible to receive up to \$130 million in federal hazard mitigation grants.

In response to the 2005 hurricane season and in coordination with development of this 2005 Disaster Recovery Initiative Action Plan, the Florida Small Cities CDBG Program, Emergency Set-aside provision has allocated funding to areas hardest hit by Hurricane Dennis.

Tier	County	Eligible Applicants	Allocation (County Cap)
1	Escambia	Century	\$500,000
1	Santa Rosa	Gulf Breeze, Jay, Milton, Santa Rosa County	\$500,000
2	Franklin	Apalachicola, Carrabelle, Franklin County	\$250,000
2	Monroe	Islamorada, Key Colony Beach, Key West, Layton, Marathon, Monroe County	\$250,000
2	Wakulla	Sopchoppy, St. Marks, Wakulla County	\$250,000
2	Walton	DeFuniak Springs, Freeport, Paxton, Walton County	\$250,000

In addition, \$4.5 million in emergency funding set aside through the State Housing Initiatives Partnership Program was provided to Miami-Dade, Broward, Collier and Monroe counties for housing recovery.

ELIGIBLE LOCAL GOVERNMENTS AND FEDERAL DISASTER DECLARATIONS

Declarations by number and date that applied to the storms are listed below:

FEMA-1602-DR dated August 28, 2005
Hurricane Katrina (August 24, 2005 and continuing)

FEMA-1609-DR dated October 24, 2005
Hurricane Wilma (October 23, 2005 and continuing)

State of Florida's Action Plan

The following information responds to the U.S. Department of Housing and Urban Development's Notice of Funding Availability provided in Federal Register / Volume 71, Number 29, *Docket No. FR-5051-N-01*.

Florida's Recovery Priorities

The 2005 Disaster Recovery Initiative application will require applicants to prioritize affordable housing. In addition, applicants may undertake priority infrastructure and mitigation projects identified in either their Comprehensive Plan or their *Local Mitigation Strategy*, and provide business recovery assistance.

Responsible Administrator

The Florida Department of Community Affairs has been designated by Governor Jeb Bush as the administrator of Florida's \$82,904,000 allocation of the Defense Appropriations Act, 2006. Further, the Florida Small Cities CDBG Program, within the Division of Housing and Community Development, will provide direct assistance to local government grant recipients and undertake administrative and monitoring activities to ensure compliance with

applicable Federal requirements.

Disaster Relief, Long-term Recovery, Restoration of Infrastructure

Federal requirements state that funds should be used for activities providing disaster relief, long-term recovery, and restoration of infrastructure. Requirements provide that the funds be directed to the 'most impacted and distressed' areas.

Administrative Funds

Although the NOFA does not establish a deadline by which funds must be fully utilized, the Department is establishing a four-year administrative timeline and budget for completion of projects and federal reporting requirements. The states administrative period begins July 1st, 2006. The NOFA limits administrative funds to 5%. The Department will utilize 1.25% of the State's allocation for administrative costs over a four year period and .75% of the State's allocation for technical assistance and planning activities over this same four year period.

Substantial Amendments

A substantial amendment to the 2005 Disaster Recovery Initiative Action Plan is defined as a change in the method of distribution; the counties targeted for funding, or established funding priorities. Substantial amendments to the 2005 Disaster Recovery Action Plan, if any, will be published on the Department's website, emailed to affected units of general local government and will be provided for a public comment period. All comments will be considered.

Citizen Participation Plan

The 2005 Disaster Recovery Initiative Action Plan will be made available to citizens, affected local governments and other interested parties via publication on the Department's website as well as through email notification. All comments regarding the Action Plan will be considered.

The Department will continue to utilize its website, email communications as well as traditional forms of communication to provide reasonable opportunity for citizen comment and ongoing citizen access to information on the use of grant funds.

The publication of the 2005 Disaster Recovery Initiative Action Plan will be in a form that ensures accessibility by persons with disabilities. In addition, the Action Plan will be made available in Spanish. The Department will provide a written response to citizen complaints within 15 working days of the complaint, if practicable.

Applicants are encouraged to undertake projects which create and maintain affordable housing stock, consistent with an anti-displacement policy.

Consultation with Local Governments

The Department has received inquiries and had discussions with local government staff and officials regarding the development of the 2005 Disaster Recovery Initiative Action Plan. In addition, the Department will coordinate and invite affected local governments to participate in a conference call to receive public comment and provide input on the final action plan.

Sound Recovery Planning

All counties and CDBG entitlement cities receive funding through Florida's State Housing Initiatives Partnership Program. The program is designed to be the operational action plan to implement each local government's comprehensive plan housing element. These "Local Housing Assistance Plans" and attendant "Hurricane Housing Assistance Plans," prepared to implement housing recovery strategies, can provide useful frameworks for integrating various federal and state funding sources for hurricane recovery.

Additionally, the State of Florida requires all local governments to develop and maintain a *Local Mitigation Strategy*, which outlines and prioritizes those activities to be undertaken to better prepare and protect the community in the event of a disaster event. Local governments targeted for disaster recovery funding will be encouraged to utilize their *Local Mitigation Strategy* (LMS) as they undertake long-term housing, infrastructure and mitigation disaster recovery projects. In addition, the State of Florida requires all local governments to develop and maintain plans for future community land use. The Department's Division of Community Planning will continue to provide technical assistance and guidance related to land use decisions throughout the disaster recovery process.

The implementation of Florida's 2004 Disaster Recovery Initiative has resulted in an increased capacity of established alliances with state and not-for-profit community development partners to reduce administrative and procedural roadblocks. The Department has coordinated with the Department of Environmental Protection to establish clear lines of communication between local government project staff and DEP permitting field staff, to conduct pre-permitting meetings to prevent delays relating to engineering plans and specifications and to identify disaster recovery projects for expedited permitting. The Department has coordinated with the Florida Rural Water Association (FRWA) to provide on-site technical assistance for local governments undertaking water and/or wastewater projects. FRWA technical assistance includes system reviews, training for system operators and fiscal review of operation costs. These and other alliances will be continued and expanded to serve communities targeted for 2005 disaster recovery funding.

Encouraging Quality, High Durability, Energy Efficient and Mold Resistant Construction Methods

The State of Florida, through both state and local professional licensing and building code standards, ensures quality, energy efficiency and mold resistant construction methods. The Department of Business and Professional Regulations oversees the licensing for design and construction professionals. The *Florida Building Code* (modeled after the International Building Code) provides construction requirements for meeting the diverse and challenging environmental and weather conditions in Florida. Florida administers a Manufactured Building Program which requires that all manufactured buildings be designed, inspected and installed in accordance with the Florida Building Code. The CDBG Program adheres to HUD's regulations and requirements relating to manufactured housing. And lastly, local governments perform final inspections of all construction projects to ensure compliance with State of Florida standards.

Encouraging Provision of Adequate Affordable Housing

2005 Disaster Recovery Initiative grant recipients are required to utilize at least 70% of their CDBG funding allocated through this Action Plan for the restoration of affordable housing. The Department will continue to collaborate with both the Florida Housing Finance Corporation and the Department of Children and Family Services Office on Homelessness to provide employment opportunities, rehabilitate existing housing units and provide safe and sanitary water and wastewater systems to aid in the State's ability to address affordable housing and homelessness concerns.

Emergency shelter needs in Florida are addressed through Local Continuums of Care and a network of Community Action Agencies that are funded by the Community Services Block Grant Program. This program also addresses some transitional housing needs. The state's Office on Homelessness administers both federal and state funding that provide emergency shelter facilities and address the needs of persons at risk of being homeless by funding transitional housing projects.

The State of Florida Consolidated Plan, approved by HUD in 2005, identifies specific strategies and actions that the state takes to address a variety of housing needs for low and moderate income persons, the at risk population group as well as those with special needs (including persons with HIV/AIDS, the elderly and people with disabilities).

Monitoring Standards

The Department will utilize time-tested Florida Small Cities CDBG Program monitoring policies and procedures for ensuring compliance with federal guidelines. These policies and procedures mirror those used by HUD to monitor state administered and entitlement programs. In addition, the Department's Office of the Inspector General, the Office of the Auditor General (which reports to the Governor and the Legislature) and HUD frequently perform monitoring, assessment or auditing to ensure that the Department is in compliance with state and federal rules and regulations and to assist the state in providing guidance to CDBG recipients. The CDBG Program responds to these independent internal audit functions by modifying internal and external administration of the funding.

Mitigation of Fraud

Through technical assistance and training, the Department will ensure that grantees are aware of federal financial recordkeeping and best practice methods for fraud prevention. In addition, the Department will utilize timely, standard monitoring practices to mitigate potential risk for fraud. And, as stated previously, investigations conducted by the independent parties noted above reinforce programmatic efforts to ensure that no misuse of funds occurs.

Method of Distribution

Because the State is prioritizing housing recovery with this CDBG funding, the allocation methodology is based on a scoring process using FEMA housing damage estimates and targets funding to the "hardest hit" areas. The Department coordinated with Florida Housing Finance Corporation and the Governor's Office to compile housing

damage assessment data relating to Hurricane Wilma.

Directing funding to the “hardest hit” areas ensures that counties with the greatest disaster recovery housing needs are targeted for funding in amounts adequate to make a significant impact on the severity of local circumstances. The scoring mechanism will take four indicators into consideration: 1) Percentage of units damaged in each county (based on verified FEMA inspections); 2) Percentage of the state total of destroyed units in each county (again, based on verified FEMA inspections); 3) Percentage of a county's damaged units attributed to households with incomes up to \$30,000, to measure level of low income need; and 4) Percentage of the state total of temporary units that were placed in each county. This data analysis is reflected in the table below.

Allocation of 2005 CDBG Supplemental Funds

Local Government	# Units Damaged - All storms	% of Total Units in County	Score	% of Total Units Destroyed in Florida	Score	# Hshlds up to \$30K w/ Damage	\$30K Hshlds as % of Total Units Damaged	Score	# Temporary Units	% Temp Units in Florida	Score	Total Score All storms	Total County CDBG Allocation
Tier I													
Palm Beach County	11,820	2.3%	1	30.2%	60	8,861	75.0%	2	352	23.23%	4	67	19,035,920
Broward County	17,953	2.5%	1	26.5%	53	12,447	69.3%	1	426	28.12%	5	60	22,163,887
Hendry County	1,358	11.6%	5	13.7%	27	1,044	76.9%	2	159	10.50%	2	36	6,767,785
Monroe County	4,563	12.1%	5	8.4%	17	2,316	50.8%	1	310	20.46%	4	27	7,531,497
Miami-Dade County	17,876	2.1%	1	9.8%	20	13,834	77.4%	2	-	0.00%	-	23	16,119,191
Total Tier I	53,570					38,502			1,247			213	71,618,280
Tier II													
Collier County	1,502	1.2%	-	3.6%	7	984	65.5%	1	34	2.24%	-	8	2,339,882
Glades County	333	7.7%	3	1.0%	2	245	73.6%	2	20	1.32%	-	7	1,364,931
Martin County	799	1.3%	1	2.1%	4	614	76.8%	2	26	1.72%	-	7	1,689,915
Okeechobee County	582	4.1%	2	1.4%	3	462	79.4%	2	58	3.83%	-	7	1,535,548
St. Lucie County	986	1.2%	-	1.1%	2	808	81.9%	2	55	3.63%	-	4	1,332,433
Lee County	798	0.4%	-	1.3%	3	594	74.4%	2	27	1.78%	-	5	1,364,931
Total Tier II	5,000					3,707			220			38	9,627,640

Alternative Funding Allocation

Should an applicant fail to demonstrate the need for, or the ability to effectively administer, the full allocation of funding, the Department may reallocate funds to an applicant receiving insufficient funding to assist with meeting disaster recovery needs.

Funding Priorities

2005 Disaster Recovery Initiative grant recipients are required to utilize at least 70% of their CDBG funding through this Action Plan for the restoration of disaster impacted affordable housing. The remaining 30% of their allocation may be used to restore disaster impacted infrastructure and/or assistance for displaced or economically impacted businesses. Applicants must submit a formal request with justification to undertake activities which do not conform to this budget allocation requirement.

Applicant Participation Information

The Department of Defense Appropriations Act (the Act), 2006 (Public Law 109–148, approved December 30, 2005) appropriated \$11.5 billion in Community Development Block Grant funds for disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of hurricanes in the Gulf of Mexico in 2005. The availability of the funding was formally announced in the Federal Register (Volume 71, No. 29) on February 13, 2006, effective immediately. The Act authorized HUD to waive, or specify alternative requirements for any statute or regulation that HUD administers in connection with CDBG funds, except for requirements relating to fair housing, nondiscrimination, labor standards, and the environment, as long as the waiver facilitates the use the funds and is not inconsistent with the overall purpose.

The Act states that the use of these funds is consistent with the purpose of Title I of the Housing and Community Development Act of 1974, as amended, or the Cranston-Gonzalez National Affordable Housing Act, as amended. The State of Florida was allocated \$82,904,000 of the CDBG funds for recovery from the impacts of Hurricane Katrina and Hurricane Wilma. Entitlement communities, non-entitlement communities and federally recognized Indian Tribes are eligible to apply.

Administrative Limitations and Timeframe for Completion

The federal government has not established a timeframe in which these disaster recovery funds must be expended. However, the Department has established a four-year administrative timeline and budget within which funds must be fully utilized and federal reporting requirements must be met. The state's administrative period begins July 1, 2006. Units of general local government may utilize up to 3% of their funds for administrative costs as specified in 24 CFR 570.206. This does not include staff and administrative costs directly related to carrying out activities eligible under 24 CFR 570.201 and 24 CFR 570.204 since those costs are eligible as part of those activities. All grants provided to local governments will be in the form of a two-year contract between the local government and the state. Contracts may be extended based on evidence of timely execution of projects and due diligence on the part of the grantee.

Eligible Applicants

Congress has directed that funds go to "the most impacted and distressed areas" and provide overall benefit to at least 50 percent LMI persons. Entitlement communities, non-entitlement communities and federally recognized Indian Tribes within the targeted counties are eligible to apply for assistance.

Eligible applicants are being provided, and are also encouraged to read, the requirements set out in the Federal Register (Volume 71, No. 29). Unless otherwise stated in the Federal Register, statutory and regulatory provisions governing the Community Development Block Grant (CDBG) program for states, including 24 CFR, Part 570, subpart I, apply to the use of these funds.

National Objective

All activities must meet one of the three national objectives set out in the Housing and Community Development Act (address slum and blight, urgent need, primarily benefit LMI persons). Up to 50 percent (rather than the 30 percent allowed by regular program regulations) of a grant may fund activities under the "urgent need" or "prevention or elimination of slums and blight" national objectives. At least 50 percent (rather than the 70 percent required under regular program regulations) must be utilized to serve LMI beneficiaries.

Eligible Activities

Eligible activities include restoration of disaster impacted affordable housing, public infrastructure destroyed or damaged and assistance for displaced or economically impacted businesses. Emphasis will be given to affordable housing strategies and projects that promote long-term housing recovery.

2005 Disaster Recovery Initiative grant recipients are required to utilize at least 70% of their CDBG funding through this Action Plan for the restoration of disaster impacted affordable housing. Housing projects may include, but are not limited to, rehabilitation, relocation, demolition and replacement, and new construction of affordable housing, farm worker housing, transitional housing and complementary housing activities such as restoration of safe and sanitary water and/or wastewater services. Infrastructure projects may include, but are not limited to, repairs and improvements to streets, water and wastewater systems, drainage facilities and public buildings. Business assistance may include, but is not limited to, repairs and improvements to public buildings in commercial or business areas, street paving, infrastructure to attract business, sidewalks, and lighting.

For funding targeted to housing activities, grant recipients are encouraged to consider how CDBG funding through this Action Plan may be used in conjunction with state hurricane housing recovery funding.

The Department will provide a complete listing of eligible activities in the application. Should an applicant wish to pursue an activity that is not listed in the application, the local government should contact the Department for approval.

Award recipients cannot use this disaster assistance for a project or activity that was underway prior to the Presidential disaster declaration, unless the disaster directly impacted the project. Elements of activities that are reimbursable by FEMA or available through the Small Business Administration (SBA) or other funding source cannot be undertaken with these funds. Applicants must certify that no other resources are available to address the proposed project.

Waivers and Alternative Requirements

The Department has requested a limited waiver of the anti-pirating clause allows the flexibility to provide assistance to a business located in another state if the business was displaced from the community by the disaster and the business wishes to return. This waiver will allow grantees affected by a major disaster to rebuild the community's

employment base.

The Department has requested a waiver of the one-for-one replacement of LMI housing units demolished or converted using CDBG funds. This waiver allows grantees to acquire, convert or demolish disaster-damaged housing without having to provide a unit for unit replacement.

Additional waivers may be considered on a case-by-case basis if a subgrantee chooses to fund a flood buyout program with both HUD and FEMA funds and needs the waiver to develop a workable program design. Applicants must contact the Department of Community Affairs if they believe further waivers are required to ensure the success of the recovery effort.

Certifications and Documentation

The use of the disaster funding is contingent upon certain requirements, and both the state and local government will be expected to certify that these requirements will be met or carried out. Applicable federal and state laws, rules and regulations are listed in the application form, and the chief elected official, or designee authorized by the local governing authority, of the local government applying for funds will be required to certify in writing that the grant will be carried out in accordance with the stated requirements.

In addition, local governments will be required to submit or maintain documentation that fully supports the application that is submitted to the Department. Requirements relating to documentation are set out in the application form. Failure to document that the project is needed as a result of the disaster(s), or to mitigate the effects of future disasters, will result in an application being declared ineligible. If this discovery is made after an award has been made, the contract with the local government may be terminated and the local government may have to repay any funds expended.

The Application Process

One application reflecting countywide, priority disaster recovery projects will be submitted by a unit of general local government within each county. Applications may be multifaceted (housing, infrastructure, and business needs); however, 2005 Disaster Recovery Initiative grant recipients are required to utilize at least 70% of their CDBG funding provided through this Action Plan for the restoration of disaster impacted affordable housing. Local governments are encouraged to give special consideration to the unmet housing needs of the elderly, people with disabilities, farm workers, the homeless and persons living in poverty.

All applications will include a description and budget for each disaster recovery proposal or project.

Citizen Participation

Applicants will not be required to conduct public hearings or meetings to receive comments from residents of the community. Applicants will be required to post a public notice in a newspaper of general circulation that states the type of activity to be undertaken, the amount of funding available for the activities, and a date by which public comments must be made. If ten percent or more of the applicant's population is non-English speaking, the newspaper notice must be translated to afford that body of persons the opportunity to comment on the proposed activity. It is anticipated that several local governments in South Florida will translate the notice for Hispanic persons.

The state as well as local governments and federally recognized Indian Tribes receiving awards must allow citizens access to grant information pursuant to Florida's Government in the Sunshine Law and federal requirements. Records should be made available for public inspection during normal business hours. In addition, where possible, information should be posted to websites. Upon request, information must be provided in a format accessible to persons with disabilities. Retention of records must meet existing public record requirements.

Reporting

Each awarded applicant must report on a quarterly basis (on a form provided by the Department) on the status of the activities undertaken and the funds drawn. Quarterly status reports will be due to the Department within 15 calendar days following the end of each quarter. The state will then report to HUD using the online Disaster Recovery Grant Reporting system. Additional reporting requirements (i.e., annual audits, contractual obligations and minority business enterprise reports) will be specified in the Department's contractual agreement.

Amendments

The Department encourages all applicants to carefully plan strategies or projects that meet the stated priorities and

to specify activities, associated costs and proposed accomplishments and beneficiaries in order to reduce the need for amending contracts. The Department will award two-year contracts. Requests for amendments that extend projects beyond the established four-year program timeline will not be approved.

The Department will follow its established process for amendments. Local governments should contact the Department prior to requesting an amendment or contract modification that affects the budget, activities, beneficiaries or timeframe for accomplishing the work. Should a proposed amendment result in the need for modification of this action plan, the state will follow the process required by HUD for this disaster recovery funding.

Applicants are not required to identify unmet needs within the application. Should initially proposed projects be completed under budget, applicants are advised to contact the Department for approval prior to undertaking additional eligible activities.

Anti-Displacement and Relocation

Local governments must minimize displacement of persons or entities and assist any persons or entities displaced in accordance with the Uniform Anti-Displacement and Relocation Act and local policy.

Citizen Complaints

Funded applicants having adopted procedures for addressing citizens' complaints under the Florida Small Cities CDBG or Entitlement programs must follow such adopted procedures. The funded applicant must provide a written response to every citizen complaint within 15 working days of the complaint, if practicable.

Definitions

The terms and definitions that are normally associated with Community Development Block Grants apply to this funding. This includes the definition of low and moderate income, very low income, and income limits. In addition, definitions and descriptions contained in the Federal Register are applicable.

Environmental Review

Applicants must comply with the Intergovernmental Coordination and Review (IC&R) and Environmental Assessment process outlined in 24 CFR 58. Specific instructions concerning this process will be made available to all grantees. Some projects will be exempt from the environmental assessment process, but all grantees will be required to submit the Request for Release of Funds and Certification (HUD Form 70.15). Funds will not be released for expenditure until the Department is satisfied that the appropriate environmental review has been conducted.

Flood Buyouts

Disaster recovery grant recipients have the discretion to pay pre-flood or post-flood values for the acquisition of properties located in a flood way or floodplain. In using CDBG disaster recovery funds for such acquisitions, the grantee must uniformly apply the valuation method it chooses.

Any property acquired with disaster recovery grants being used to match FEMA Section 404 Hazard Mitigation Grant Program funds is subject to Section 404(b)(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended, which requires that such property be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices. In addition, with minor exceptions, no new structure may be erected on the property and no subsequent application for federal disaster assistance may be made for any purpose. A deed restriction or covenant must require that the property be dedicated and maintained for compatible uses in perpetuity.

Flood insurance is mandated for any assistance provided within a floodplain. The federal requirements set out for this funding provide further guidance on activities that are to be conducted in a floodplain. The Department will provide further guidance regarding work in the floodplain upon request.

Housing Assistance Plan

The local government must adopt a policy for selecting beneficiaries and housing units for housing assistance. The local government must follow this policy when selecting beneficiaries and housing units to be addressed. Local governments are encouraged to use their existing Housing Assistance Plan. Modifications to the plan can only be made with the Department's approval. The application sets out the specific requirements for the Housing Assistance Plan. A copy of the plan must be included with the application for funding for housing assistance activities.

Monitoring

The Department will utilize its existing monitoring process to ensure that all contracts funded under this disaster recovery allocation are carried out in accordance with federal and state laws, rules and regulations. The Department will monitor the compliance of grantees, and HUD will monitor the state's compliance with this requirement. Expenditures will be disallowed if the use of the funds does not address disaster-related needs or are clearly not for the greatest needs. In such case, the local government receiving the funding would be required to refund the amount of the grant that was disallowed.

In determining appropriate monitoring of the grant, the Department will consider prior CDBG grant administration, audit findings, as well as factors such as complexity of the project. The Department will determine the areas to be monitored, the number of monitoring visits, and their frequency. All grants will be monitored at least once a year for the duration of project activities. The monitoring will address program compliance with contract provisions, including national objective, financial management, and the requirements of 24 CFR Part 85. The Department will utilize the checklists similar to those used in monitoring regular program activities. The monitoring process typically consists of the following:

- △ The Department determines the schedule for monitoring and the program areas to be monitored.
- △ The Department contacts the grantee by phone to schedule a monitoring visit.
- △ The date and purpose of the visit is confirmed in writing.
- △ Staff arrives on the scheduled date and conducts the monitoring.
- △ Staff prepares and mails to the recipient a written monitoring report within 30 days of the monitoring visit.
- △ The grantee must respond within 35 days. It may request a 15-day extension if it cannot resolve the findings within the 35-day period.
- △ The Department approves the extension and/or responds to recipient's report on actions taken or to be taken to address grant findings.
- △ The Department clears the findings or requires further action.
- △ All findings must be cleared before the grant can be closed.

Program Income

Any program income earned as a result of activities funded under this grant must be reported to the Department, but may be retained by the local government during the grant agreement period and used to continue the CDBG disaster recovery activity from which the funds were generated. Contractual agreements will provide additional guidelines for utilization of program income funds.

APPENDIX A

CERTIFICATIONS

Certifications

Certifications for state governments, waiver and alternative requirement. Section 91.325 of title 24 Code of Federal Regulations is waived. Each state must make the following certifications prior to receiving a CDBG disaster recovery grant:

- a. The state certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard. (See 24 CFR 570.487(b) (2)(ii).)
- b. The state certifies that it has in effect and is following a residential anti- displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.
- c. The state certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.
- d. The state certifies that the Action Plan for Disaster Recovery is authorized under state law and that the state, and any entity or entities designated by the State, possesses the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this Notice.
- e. The state certifies that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for this grant.
- f. The state certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.
- g. The state certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.115 (except as provided for in notices providing waivers and alternative requirements for this grant), and that each unit of general local government that is receiving assistance from the state is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).
- h. The state certifies that it has consulted with affected units of local government in counties designated in covered major disaster declarations in the nonentitlement, entitlement and tribal areas of the state in determining the method of distribution of funding.
- i. The state certifies that it is complying with each of the following criteria:
 - (1) Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure in the most impacted and distressed areas related to the consequences of the Gulf Coast hurricanes of 2005 in communities included in Presidential disaster declarations.
 - (2) With respect to activities expected to be assisted with CDBG disaster recovery funds, the action plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.
 - (3) The aggregate use of CDBG disaster recovery funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 50 percent of the amount is expended for activities that benefit such persons during the designated period.
 - (4) The state will not attempt to recover any capital costs of public improvements assisted with CDBG disaster recovery grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (A) disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are

financed from revenue sources other than under this title; or (B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (A).

j. The state certifies that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601–3619) and implementing regulations.

k. The state certifies that it has and that it will require units of general local government that receive grant funds to certify that they have adopted and are enforcing:

(1) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

(2) A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

l. The state certifies that each state grant recipient or administering entity has the capacity to carry out disaster recovery activities in a timely manner, or the state has a plan to increase the capacity of any state grant recipient or administering entity who lacks such capacity.

m. The state certifies that it will not use CDBG disaster recovery funds for any activity in an area delineated as a special flood hazard area in FEMA's most current flood advisory maps unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain in accordance with Executive Order 11988 and 24 CFR part 55.

n. The state certifies that it will comply with applicable laws.

Signed By:

Thaddeus L. Cohen, AIA, Secretary
Florida Department of Community Affairs

Date:_____