



# Hurricane Irma Voluntary Home Buyout Program Design

December 4, 2023

Version 5.2

## DISCLAIMER

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## VERSION HISTORY

Version Number	Change Date	Author	Summary of Changes
0	04/01/2019	Christy Tate	Initial Version
1.0	04/15/2019	Joshua Brandt	Revisions requested
2.0	04/25/2019	Christy Tate	Revisions completed
3.0	09/25/2019	Joshua Brandt	Request to add the allocated 10 million for Monroe County under the Action Plan, make revisions to the timeline because the application period was from August 1 through October 1, and add the address and website for the application submission
4.0	09/30/2019	Christy Tate	Revisions completed
5.0	06/21/2021	Jessie Boyer	Updated Anti-Fraud, Waste, and Abuse Policy and changed Office of Disaster Recovery (ODR) to Office of Long-Term Resiliency (OLTR)
5.1	8/18/2021	Angie Griffin	Formatted entire document to mirror other OLTR documents Updated cover page Updated version table Added Version Policy Added Policy Change Control Updated Table of Contents Added Outline numbering to headings for organizational clarity Reformatted Appendix C: Area Median Income Charts

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5.2	12/4/2023	Leah Langston	<p>As of July 1, 2023, and per Florida HB 5, ch. 2023-173, L.O.F. the former Florida Department of Economic Opportunity has been renamed the Florida Department of Commerce, referred to as “FloridaCommerce.”</p> <p>To reflect this change, all references to the former Florida Department of Economic Opportunity (including “the Department” and “DEO”) have been updated to represent FloridaCommerce. Associated branding (including logos, fonts, and colors) has been updated throughout the document.</p> <p>Updated language in 3.2 to include the use of the Urgent Need National Objective</p>
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## **VERSION POLICY**

Version history is tracked in the Version History Table (page i), with notes regarding version changes. Dates of each publication are also tracked in this table.

Substantive changes in this document that reflect a policy change will result in the issuance of a new version of the document. For example, a substantive policy change after the issuance of Version 1.0 would result in the issuance of Version 2.0, an increase in the primary version number. Non-substantive changes such as minor wording and editing or clarification of existing policy that do not affect interpretation or applicability of the policy will be included in minor version updates denoted by a sequential number increase behind the primary version number (i.e., Version 2.1, Version 2.2, etc.).

## **POLICY CHANGE CONTROL**

Policy review and changes for the State of Florida Office of Long-Term Resiliency are considered through a change-control process. Policy clarifications, additions, or deletions are needed during the course of the program to more precisely define the rules by which the Program will operate. Program staff will document policy-change requests that will be tracked in the program files. Requests are compiled and brought before supervisory staff in a policy meeting. Subject matter experts working in a particular policy area or task area that will be affected by the policy decision may be invited to assist in policy evaluation, if necessary. Policy meetings will be held as frequently as is necessary to consider policy decisions critical to moving the Program forward in a timely manner. Policy decisions will be documented and will result in the revision of the document in question.

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# 1.0 Introduction

This document includes the program design for the Department of Commerce’s (FloridaCommerce) Community Development Block Grant–Disaster Recovery (CDBG-DR) Voluntary Home Buyout Program. The Florida Department of Commerce, Office of Disaster Recovery (CDBG-DR) Program is funded by the U.S. Department of Housing and Urban Development (HUD) and public laws 115-56 and 115-123. FloridaCommerce is the agency responsible for the administration of disaster funds allocated to housing, economic development, and infrastructure activities. FloridaCommerce is administering Rebuild Florida’s Voluntary Home Buyout Program. FloridaCommerce is the HUD grantee responsible for administering funding related to Hurricane Irma recovery. As part of the recovery plan, FloridaCommerce has created the Voluntary Home Buyout Program. “Buyout” refers to the acquisition of properties located in a floodway or floodplain that is intended to reduce risk of future flooding.

The Rebuild Florida Voluntary Home Buyout Program will provide local jurisdictions the opportunity to administer a local buyout program through a competitive application cycle. The Voluntary Home Buyout Program has been designed to assist property owners in relocating outside the threat of flooding. The seller must be in a Special Flood Hazard Area (SFHA) or other high-risk flood areas. All property sellers must be willing, voluntary participates, and the use of eminent domain is strictly prohibited. Any property acquired, accepted, or from which a structure will be removed pursuant to the buyout project will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or floodplain, and wetland management practices.

Subrecipients must develop and implement projects that are compliant with the 2018 Action Plan for Disaster Recovery (Action Plan), all Action Plan amendments, governing Federal Register Notices (6066-N-01, 6109-N-01, and any subsequent notices), Rebuild Florida Voluntary Home Buyout Program Design, Rebuild Florida Voluntary Home Buyout Program guidelines, and applicable federal, state, and local rules and regulations.

## 2.0 Voluntary Home Buyout

Hurricane Irma made landfall on September 10, 2017, bringing storm surge to coastal areas. Some counties saw storm surges of more than 15 feet. Due to the freshwater overflows, flooding to low lying properties continued to flood for days after Hurricane Irma landed. This caused major flooding destruction from the middle of the Florida Keys through the center of the State.

The goal of the Voluntary Home Buyout Program is to successfully revitalize the affected areas by reducing the risk of future flooding by converting the property to open space, recreational, or floodplain and wetlands uses while maintaining the tax base. To help maintain the tax base, this program will assist low- to moderate-income households that were impacted by Hurricane Irma by offering Housing Replacement Awards to sellers that owned and occupied the property at the time of the disaster.

All counties and municipalities with those counties that received a declaration of both Federal Emergency Management Agency, Disaster Assistance, Individual Assistance (FEMA IA), and Public Assistance (PA) after Hurricane Irma are eligible to apply for assistance for non-commercial properties, which include owner-occupied structures and residential properties and vacant lots. The local governments will have two potential funding options in this program. The first option would be to leverage CDBG-DR funding as a match for projects that are also eligible for the Hazard Mitigation Grant Program (HMGP). The second option would be to apply directly to Rebuild Florida as a subrecipient to the Voluntary Home Buyout Program, which focuses on low- and moderate- income households that did not have flood insurance at the time of Hurricane Irma.

A total of \$75,000,000 has been allocated for the Voluntary Home Buyout activities, with a maximum award not to exceed \$5,000,000 except for Monroe County which has \$10,000,000. Fifty percent of the entire CDBG-DR grant award shall be used to benefit low- and moderate-income persons, while ensuring that properties acquired through the buyouts will be used in a way that benefits all the residents in an area where at least 51% of the residents are low- and moderate-income persons. This is necessary to reach the National Objective.

## 3.0 Objective

This Home Buyout Program identifies and targets the most impacted areas with unmet needs through the local governments that include all counties, cities, and municipalities that were affected by Hurricane Irma. These local governments will apply for assistance as a subrecipient of the Voluntary Home Buyout Program. For subrecipients to meet the National Objective they must provide a clear plan for both the buyout area and the end use of the area that meets the community needs of public space and assist with the resettlement of the homeowners that apply by offering Housing Replacement Assistance.

### 3.1 Purpose

The Voluntary Home Buyout Program will meet the Low- to Moderate-Income (LMI) Area Benefit, and the Low- to Moderate-Income Housing (LMH) National Objective. To meet the LMI Area Benefit, the properties acquired through buyouts will be used in a way that benefits all the residents in an area where at least 51 percent of the residents are low- and moderate-income persons. To meet the National Objective of LMH, the households to be assisted must be LMI and occupy the replacement housing.

Occupying replacement housing means that CDBG-DR funds will be provided for an eligible activity that benefits the LMH by supporting their move from high risk areas.

### 3.2 Meeting the National Objective

The Voluntary Home Buyout Program may utilize either the LMI National Objective or the Urgent Need National Objective.

#### LMI National Objective

When undertaking buyout activities and to demonstrate that a buyout meets the LMI National Objective, and according to the State CDBG regulations at 24 CFR 570.483(b)(3), entitlement CDBG regulations at 24 CFR 570.208 apply the LMH National Objective to eligible activity carried out for the purpose of providing or improving permanent residential structures that, upon completion, will be occupied by low- and moderate- income households. Therefore, a buyout program that merely pays homeowners to leave their existing homes does not result in a low- and moderate- income household occupying a residential structure and, thus, cannot meet the requirements of the LMI National Objective.

When undertaking buyout activities using the LMI National Objective, subrecipients must demonstrate that the activities are structured so as to meet one of the following national objective criteria:

- LMI Housing Incentives (LMHI) – VHB eligible Housing incentives are incentives tied to a voluntary buyout of housing owned by eligible LMI households which are provided for the purpose of moving the eligible household outside the affected floodplain or to a lower-risk area, or improving the residential structures that will be occupied by the LMI household. To meet LMHI criteria, the subrecipient must combine the acquisitions of the properties with another direct benefit, such as the housing replacement assistance and allowance program that Rebuild Florida has established as an incentive for the Voluntary Home Buyout Program.
- LMI Area Benefit (LMA) - The subrecipient must meet LMA benefit criteria, provided that the subrecipient can document that the properties acquired through the buyouts will be used in a way that benefits all the residents in an area where at least 51 percent of the residents are LMI persons. When using this approach, the subrecipient must define the service area based on the end use of the buyout properties.

### Urgent Need National Objective

When undertaking buyout activities using the Urgent Need National Objective, subrecipients must provide FloridaCommerce with justification of the urgency of the need addressed by the VHB project. Examples of situations that may be justifiable reasons for VHB activities may include, but are not limited to, that the project/homeowner has limited to no access to emergency services in a flood event, or that the project site has experienced significant loss or damage due to flooding.

Justification for use of the Urgent Need National Objective must:

- Be provided to FloridaCommerce on the municipality's official letterhead.
- Include photos of flooding and damage tied to the storm and supporting the claim of urgency.
- Come from the city's floodplain manager and/or emergency service manager, if possible.

## 3.3 Outreach Period

Each subrecipient is required to execute an Outreach Plan based on a Needs Assessment. Prior to kicking off the application period, all subrecipients must hold at least two public meetings that afford the public a reasonable opportunity to participate. Public meetings should detail specific data about the proposed projects. Subrecipients are encouraged to reach out to homeowners through the press, social media, and website announcements to affected areas, etc. Rebuild Florida will monitor subrecipient outreach activities to verify that affirmative marketing practices have been employed. The outreach process will help the subrecipient gather information to support program design options that best fit community needs. The data each outreach meeting should address includes but is not limited to:

- Historical flood data that will include maps demonstrating the extent and degree of disaster damage over time;
- Explain the costs and the future costs that occur with disasters pertaining to wind, flood, and storm surges;
- Demonstrate the future cost of flood insurance coverage;
- Address needs and concerns of residential owners, non-residential owners, and tenants;
- Present the benefits of the buyout and the advantages of resettlement in target areas; and
- Provide information to the homeowners of what will be required to complete the application process.

## 3.4 Timeline

FloridaCommerce's Program Management Office is responsible for the development and maintenance of all Hurricane Irma Housing Activities Work Breakdown Schedules (WBS), including the Voluntary Home Buyout Program. IEM will support the Program Management Office and the Rebuild Florida Voluntary Home Buyout in the creation of the programmatic WBS by providing insight into the critical steps necessary from program launch, delivery, and closeout. Partner agencies or subrecipients will be responsible for developing a project implementation timeline as part of the application process.

Currently, the overall programmatic timeline for activities for the Voluntary Home Buyout is as follows:

- February 1, 2019–April 1, 2019: Develop Program Policy and Design.
- April 2, 2019–May 31, 2019: Develop and Finalize the Subrecipient Agreement, the Scoring Criteria, and the Award Letter.
- May 1, 2019– July 31, 2019: Develop the Request for Application.
- August 1, 2019–October 1, 2019: Subrecipient Application Intake Period.

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- October 2, 2019–October 31, 2019: Scoring and Awarding of the Subrecipient Application.
- November 1, 2019–December 31, 2019: Execution of the Subrecipient Agreements.
- January 1, 2020– January 1, 2021: Buyout Process Occurs.

## 4.0 Voluntary Home Buyout Design

### 4.1 Subrecipient Application

The Request for Applications for the Voluntary Home Buyout Program will open on August 1, 2019 and will be open for a minimum 60-day intake period. There may only be one application per responding agency or entity. Any extension of the application intake period beyond 60 days will be announced using the Rebuild Florida website at [www.rebuildflorida.gov](http://www.rebuildflorida.gov).

An organization may apply for subrecipient funding to implement the Voluntary Home Buyout Program by responding to the Request for Application announced online at [www.RebuildFlorida.gov](http://www.RebuildFlorida.gov). Applications must be printed, completed and returned to:

- FloridaCommerce Office of Disaster Recovery 107 E. Madison Street, Caldwell Building, MSC 160
- Or electronically via [cdbg-dr@Commerce.fl.gov](mailto:cdbg-dr@Commerce.fl.gov)

The application cycle is scheduled to begin by August 1, 2019, and extend through October 1, 2019. The subrecipient will have 60 days to complete the application. All applications must be accompanied by the following documents:

- A completed and signed Application for Federal Assistance SF-424, OMB Number: 4040-004, expiration date: 10/31/2019; SF424-2-1-V2.1;
- Voluntary Acknowledgment Form signed by all property owners that are participating in the program;
- An Annual Financial Statement, to provide the most recent financial statement prepared in accordance with 2 CFR 200.510 and include a schedule of expenditures and schedule of findings and questioned costs;
- Names and contact information for staff that will provide local oversight of the application, the potential contract, and applicable requirements; and
- Local procurement policies and procedures, along with other required documentation if applicable.

In addition to the required documents that will need to be provided, the subrecipient applicant shall be ready and willing to provide the following information:

- The Citizen Participation Plan: List all the opportunities where citizens were provided to participate in the determination of these needs (public hearing, community meeting, survey, etc.).
- Community Needs Assessment: List the cause of the damage, current condition of the activity, and detailed description of the project that coincides with specific flood and storm-related conditions that caused direct damage (date and duration), and the impacts on the community that resulted from the disaster-related damages, a break-out of areas identified as FEMA High Risk areas to include floodways.
- List material submitted as documentation of the Hurricane Irma-related condition.
- Describe how the proposed activities will address damage affected by Hurricane Irma.
- Provide an analysis of income categories of the households in the low- moderate-income (LMI) area affected by the disaster, as evidence by FEMA Claims or other FloridaCommerce approved data, broken out by:
  - 0%–30% AMI, very low income.

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- 31%–50% AMI, low income.
- 51%–80% AMI, moderate income.
- Provide comprehensive budget information to include the FMV and additional eligible cost. See Appendix A for an example table of this information.
- Provide a project schedule that should not exceed 24 months following the execution of the contract between the subrecipient and FloridaCommerce. See Appendix B for an example of this schedule.
- If funds are being leveraged in a matched program for the HMGP, provide the funding amount and a description of its use.

Be prepared to answer the following questions:

- Will assistance require relocation activity requiring compliance with the Uniform Relocation Assistance Act (URA)?
- What is the end use of the property?
- How many households occupy persons 62 years of age or older, and/under age 18?
- How many households occupy persons that are disabled, handicap, or have special needs?
- Are there any female head of households, or a disabled head of households?

## 5.0 Scoring of Subrecipient Applications and Award Calculation Methodology

### 5.1 Scoring Criteria

FloridaCommerce will rate all applications submitted by the subrecipient by a process using a scoring method. Each subrecipient can score a maximum of 55 points per household plus an additional 15 bonus points for early submission of the application and application completion. The scoring method will be as follows:

1. Benefit to low- and moderate-income households—maximum of 20 points combined:
  - A. Low- and moderate-income household: 5 points.
  - B. Low- and moderate-income household that occupies anyone 62 or older: 5 points.
  - C. Low- and moderate-income household that occupies anyone under 18: 5 points.
  - D. Low- and moderate-income household that includes anyone that is disabled, handicapped, or has special needs: 5 points.

See Appendix C for information referencing the most current Household Area Median Income.

1. Low- and moderate-income households that did not have flood insurance at the time of the disaster: 10 points.
2. Matching Contributions—maximum of 25 points combined:
  - A. Efforts leverage funding with HMGP: A maximum of 10 points will be awarded based on the applicant's efforts to secure funding with HMGP as part of the match program offered as option one of the Voluntary Home Buyout Program.
  - B. Matching: A maximum of 15 points will be awarded based on the ratio of the amount of eligible matching funds to the amount of CDBG funds request: 1.1 or more, 15 points; 0.75–1, 10 points; 0.50–1, 7 points; 0.25–1, 5 points; less than 0.25, 0 points.
3. Application submitted 10 days prior to the deadline: 10 points—application must be completed in its entirety. An incomplete application will not receive these 10 points.
4. Application Completeness: A maximum of 5 points—applications will receive up to 5 bonus points based on completeness. Applications that have not been signed will not be considered.

### 5.2 Methodology

#### 5.2.1 Award Determination

Subrecipients will use the Pre-Event Fair Housing methodology for all participants that owned the property at the time of Hurricane Irma. Participants of the eligible properties at the time of Hurricane Irma will receive an offer to purchase the property minus any Duplication of Benefits (DOB).

Participants that purchased eligible property after Hurricane Irma will receive an offer limited to the price of which the owner paid for the property, not to exceed the pre-event Fair Market Value (FMV). If repairs have been made to the property, eligible repair receipts are to be added to the post-disaster price of the acquisition.

The deduction of DOBs will be taken from the purchase offer if the offer is determined by a pre-event FMV prior to Hurricane Irma. When the purchase price of the property exceeds the current FMV, this is considered assistance to the seller, thus making the seller a beneficiary of the CDBG-DR assistance.

However, owners that purchase the property post Hurricane Irma that receive a purchase price equal to or less than the current FMV will not be considered a beneficiary of the CDBG-DR assistance, and therefore, no DOBs are required to be deducted. Regardless of the purchase price, all buyout activities are a type of acquisition of real property as permitted by 42 U.S.C 5305(a)(1).

## 5.2.2 Award Methodology

The following methods will be used for calculating DOBs:

1. HMGP: FEMA acquires flood damaged properties at fair market value (FMV). HMGP are designed to receive Federal Cost Share of 75% with a Non-Federal Cost Share of 25%, or a Federal Cost Share of 90% with a Non-Federal Cost Share of 10% by FEMA. The Voluntary Home Buyout Program will match the Non-Federal Cost Share of the HMGP. DOB methodology used by HMGP is similar to the CDBG-DR methodology except HMGP award calculation methods do not consider replacement housing to be a DOB.
2. Rebuild Florida's Voluntary Home Buyout Program: This program will limit the award based on pre-disaster fair market value for all sellers that own the property at the time of Hurricane Irma; therefore, making the applicant a beneficiary of the program. All DOBs will be taken from the purchase amount offered to the seller.
3. Housing Replacement Assistance: This program will award up to \$25,000 in addition to the FMV of the buyout for income-qualified buyout applicants with a household income that is 80% or less than the AMI.
4. Housing Replacement Allowance: This program will award up to \$10,000 in addition to the FMV of the buyout for applicants with a household income that is greater than 80% of the AMI.

Both housing replacement awards are subject to the Robert T. Stafford Act, requiring that these funds be considered duplication of benefits. This funding may only be used to purchase a home with the same taxing jurisdiction. Additionally, applicants that receive this assistance must relocate outside the floodplain to a lower risk area. Subrecipients must maintain documentation describing how the amount of assistance was determined to be necessary and reasonable. See Appendix D for examples of DOB calculation methods.

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## 6.0 Subrecipient Responsibilities

### 6.1 Responsibilities

Awarded subrecipients must accept the following responsibilities:

- Enter into a subrecipient agreement with FloridaCommerce.
- Comply with all terms and conditions of the subrecipient agreement, Voluntary Home Buyout Program guidelines, Action Plan, Action Plan Amendments, and federal, State and local laws.
- Meet performance benchmarks established in the subrecipient agreement.
- Meet or exceed federal underwriting standards. Subrecipients must establish underwriting criteria that, at a minimum, complies with CDBG-DR underwriting criteria found at 24 CFR 570.209. Project costs must be demonstrated to be reasonable. All other sources of financing must be committed or otherwise unavailable to the applicant. Project costs must be need-based, and documentation must be sufficient to prove that CDBG-DR funds will not supplant non-federal financial funding or support.
- Design and implement a public outreach campaign to target homeowners that may have been impacted by Hurricane Irma.
- Design a Voluntary Home Buyout grant application and application process.
- Develop policies and procedures that, at a minimum, include information about the application process, application requirements, underwriting criteria, compliance requirements, and reporting methodology.
- Develop policies and procedures to detect and prevent fraud, waste and abuse that describe how the subrecipient will verify the accuracy of applicant information, monitoring policy indicating how and why monitoring is conducted, the frequency of monitoring, and which items will be monitored, and procedure for referring instances of fraud, waste and abuse to the HUD OIG Fraud Hotline at: 1-800-347-3735 or [hotline@hudoig.gov](mailto:hotline@hudoig.gov).
- Develop policies and procedures for the requirements under 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as applicable.
- Develop and implement a complaint procedure and ensure all complaints are resolved within 15 working days of receipt.
- Develop and implement an appeals procedure.
- Develop and implement subrogation policies and procedures and enter into a subrogation agreement with each funded applicant.
- Develop and implement policies and procedures for any person who may qualify for assistance under the Uniform Relocation Assistance and Real Property policies Act of 1970 (URA), as amended (49 CFR 24), and 104(d) of the Housing and Community Development Act of 1974, as amended (24 CFR 42).
- Conduct environmental reviews or causing such review to occur through contracted providers of environmental services, which includes damaged properties that are to be acquired by the local government as well as properties obtained by the seller through the housing replacement assistance.
- Update policies and procedures timely and upon FloridaCommerce request.
- Include the following statement on all program materials and applications:  
• “Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.”

- Comply with the requirement that subrecipients will not carry out any of the activities under their agreement with FloridaCommerce in a manner that results in a prohibited Duplication of Benefits (DOBs) as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5155 et seq.) and as described in Appropriations Acts.
- Comply with the Davis-Bacon Act (40 U.S.C.A. §§ 276a to 276a-5) a purpose to preserve local wage standards and promote local employment.
- All projects seeking assistance under the current CDBG-DR funds for Hurricane Irma, and any future funds allocated for Hurricane Irma, provided by FloridaCommerce, will require an Environmental Clearance from FloridaCommerce prior to the subrecipient being able to commit CDBG-DR funds.
- Evaluate each grant applicant for the potential for DOBs and decline any grant amount that would constitute such a duplication.
- Provide a detailed budget and measure actual cost versus projected cost on a monthly basis.
- Provide a detailed timeline for implementation consistent with the milestones outlined in this guidebook and report actual progress against the projected progress on a monthly basis.
- Provide a monthly report to FloridaCommerce that outlines the progress made to date, the projected activities to be completed in the upcoming month, and any risks or issues identified for the delivery of the project. The report must include metrics that demonstrate the implementation costs to date with projected spending.
- Provide a monthly report to FloridaCommerce that details the grant funding approved versus funding disbursed.
- Monitor grantee compliance with the terms and conditions of the grant agreement.
- Document all activities.
- Maintain organized files and make them accessible to FloridaCommerce or its representatives upon request.

## 6.2 Conflict of Interest

State officials and employees, FloridaCommerce employees, FloridaCommerce subrecipients 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- DR 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 the subrecipient has adequately and publicly addressed all concerns generated by the potential 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 by FloridaCommerce.

## 6.3 Files, Records, and Reports

Subrecipients will maintain accurate files and records on each grant provided under the Rebuild Florida Voluntary Home Buyout Program and will retain all pertinent documentation for the grant between

FloridaCommerce and the subrecipient. Compliance will be maintained in accordance with the reporting requirements as outlined in the FloridaCommerce policies and procedures. This includes all information and reports as required under the FloridaCommerce contract with HUD and demographic data and other information on awardees.

All official records on programs and individual activities must be maintained for a five-year period beyond the date of grant closeout. Subrecipients must maintain electronic files for each applicant funded through the Voluntary Home Buyout Program. FloridaCommerce will monitor subrecipient file management practices. Each file must contain at a minimum the following information:

- Verification of program eligibility.
- Determination that the National Objective has been met (can be LMI or Urgent Need in some cases and should be noted in each file).
- Determination and justification that activities relate to the impact of Hurricane Irma.
- Proof that funds do not supplant other funding sources.
- Invoicing/proof of expense related items is eligible under CDBG-DR.
- Award calculation and supporting documentation.
- Duplication of benefits assessments and calculations.
- Grant recapture documents.
- Environmental clearance.
- Grant agreement documents.
- Monitoring QA/QC.
- Appeals, if applicable.
- Correspondence, notes.
- Supporting documentation and forms.

## **6.4 Procurement Requirements**

Subrecipients must 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 in 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. These same procurement requirements apply to all FloridaCommerce subrecipients. FloridaCommerce will monitor subrecipient procurement policies and procedures.

## **6.5 Civil Rights**

Recipients of CDBG-DR funds must comply with federal and State civil rights, fair housing, equal opportunity, and equal employment opportunity regulations and requirements. These laws are designed to ensure that members of protected groups are treated fairly by avoiding discrimination, providing equal opportunity and taking affirmative action to correct past discrimination based on race, color, religion, gender, national origin, age, sex/gender, disability, and/or family status.

All subrecipients must comply with Civil Rights requirements. FloridaCommerce will monitor subrecipient activities for compliance. Civil rights laws applicable to Florida CDBG-DR programs are set forth in the following statutes and Executive Orders:

- **Title VI of the Civil Rights Act of 1964:** This act states that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of race, color, or national origin.
- **Title VIII of the Civil Rights Acts of 1968, as amended (Fair Housing Act):** This act prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin. It also requires HUD to administer its programs in a manner that affirmatively promotes fair housing.
- **Section 504 of the Rehabilitation Act of 1973, as amended:** This act states that no otherwise qualified individual shall, solely by reason of his or her handicap, be excluded from participation (including employment), denied program benefits, or subjected to discrimination.
- **Section 109 of the Housing and Urban Development Act of 1974, as amended:** This act states that, under any program or activity funded in whole or in part under Title I or Title II of the act (regardless of a contract's dollar value), no person shall be excluded from participation (including employment), denied program benefits or subjected to discrimination on the basis of race, color, national origin, or sex.
- **The Age Discrimination Act of 1975, as amended:** This act states that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age.
- **Executive Order 11063:** This act states that no person shall, on the basis of race, color, religion, sex or national origin, be discriminated against in housing (and related facilities) provided with federal assistance, or lending practices with respect to residential practices when such practices are connected with loans insured or guaranteed by the federal government.
- **Executive Order 11246, as amended:** This act states that no person shall be discriminated against, on the basis of race, color, religion, sex or national origin in any phase of employment during the performance of federal or federally assisted construction contracts in the excess of
- \$10,000.
- **Equal Access to HUD-assisted or Insured Housing—24 CFR 5.105 (a)(2)(i) and (ii):** This regulation requires equal access to housing in HUD programs, regardless of sexual orientation, gender identity, or marital status.
- **Chapter 760, Florida Statutes:** Includes the Florida Civil Rights Act and Fair Housing Act.

## 6.6 Equal Employment Opportunity

Equal Employment Opportunity is a family of laws that prohibit discrimination of various kinds against protected classes of people. The laws include the following:

- Title VII of the Civil Rights Act of 1964.
- The Pregnancy Discrimination Act.
- The Equal Pay Act of 1963.
- The Age Discrimination in Employment Act of 1967.
- Title I of the Americans with Disabilities Act.
- Sections 102 and 103 of the Civil Rights Act of 1991.
- Sections 501 and 505 of the Rehabilitation Act of 1973.
- The Genetic Information Nondiscrimination Act of 2008.

Subrecipients should strive to set a high community standard for providing equal employment opportunities. Subrecipients must maintain records documenting compliance with equal opportunity and civil rights requirements. FloridaCommerce will monitor subrecipient activities for compliance.

## 6.7 Section 3

Section 3 is part of the Housing and Urban Development Act of 1968, as amended. It states that, to the greatest extent feasible, employment and other economic opportunities should be directed to low- and very low-income persons and business concerns that provide economic opportunities to low- and very low-income persons. Local governments, especially entitlement counties, may already maintain lists of Section 3 vendors.

Compliance with Section 3 may be demonstrated by the following:

- Developing lists of minority-owned, women-owned, and local businesses in construction trades, business services, and professional services.
- Contacting minority-owned, women-owned, and contractor associations to obtain information on skill and resource capabilities.
- Establishing an action plan and goals for the use of minority-owned, women-owned, and local businesses, including opportunities for subcontracting in procurement and construction contracting-related activities.
- Establishing goals and taking steps to provide opportunities for minority equity investments in funded projects.
- Notifying minority-owned and women-owned firms of contract opportunities, including the date Request for Proposal or bid packages will be available or when Statements of Interest and Qualifications are due.
- Requiring a Section 3 of the HUD Act of 1968 clause in all contracts.
- Documentation of actions undertaken to meet Section 3 requirements and the written Section 3 Plan.

Compliance with Section 3 is required for local governments for awards of at least \$200,000. Contractors or subcontractors that receive awards in excess of \$100,000 are also subject to Section 3 requirements. Section 3 requirements apply for projects involving housing construction, demolition, rehabilitation or other public construction activities (e.g., roads, sewer, water, community centers) and the completion of these projects creates the need for new employment, contracting or training opportunities. Neither Section 3, nor 24 CFR 135, supersedes the general requirement that all procurement transactions be conducted in a competitive manner. However, Section 3 allows geographic preference to be a consideration when evaluating a bid or proposal. A person seeking preference under Section 3 has the responsibility to provide evidence (if requested) of eligibility for the preference. Section 3 does not require employment of a Section 3 resident who does not meet the qualifications for the position. A Section 3 business that seeks preference must document (if requested) that it qualifies as a Section 3 business.

## 6.8 Public Records

The following information is provided by the Florida Constitution: Pursuant to Article 1, Section 24, Florida Constitution and Chapter 119, Florida Statutes, department is subject to the Public Records law. Accordingly, unless an exemption exists, all records produced or received pursuant to law or in connection with the official business of can be requested and provided for inspection. All Public Records requests will be processed in accordance with the department Administrative Policy 1.06, Processing Public Records Requests.

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Detailed guidance on Public Records requests can be found in the following resources:

- Florida Government in the Sunshine Manual at:  
[https://legacy.myfloridalegal.com/webfiles.nsf/WF/RMAS-9UPM53/\\$file/2015SunshineLawManual.pdf](https://legacy.myfloridalegal.com/webfiles.nsf/WF/RMAS-9UPM53/$file/2015SunshineLawManual.pdf); and
- Florida Public Records Act at:  
[http://www.leg.state.fl.us/statutes/index.cfm?App\\_mode=Display\\_Statute&URL=0100-0199/0119/0119.html](http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&URL=0100-0199/0119/0119.html).

## 7.0 Anti-Fraud Waste and Abuse

Rebuild Florida constituents, employees and contractors may report suspected fraud, waste, or abuse by contacting Constituent Management Services staff, submitting information via the Report Fraud, Waste or Abuse online form (<http://floridajobs.org/rebuildflorida/report>; (all contact information fields are optional to allow for anonymity) or by sending an e-mail to [cdbg-dr\\_antifraudwasteabuse@Commerce.fl.gov](mailto:cdbg-dr_antifraudwasteabuse@Commerce.fl.gov).

All suspected cases of fraud will be taken seriously, and complaints will be reported to OLTR's Compliance and Reporting Manager and FloridaCommerce's Office of the Inspector General at [OIG@Commerce.fl.gov](mailto:OIG@Commerce.fl.gov). If FloridaCommerce's OIG determines that it is appropriate, it will coordinate its investigation with agencies such as the Florida Office of the Inspector General, the Florida Office of the Attorney General, or the Florida Department of Business and Professional Regulation.

All substantiated cases of fraud, waste, or abuse of government funds will be forwarded to the United States Department of Housing and Urban Development (HUD), Office of Inspector General (OIG) Fraud Hotline (phone: 1-800-347-3735 or email: [hotline@hudoig.gov](mailto:hotline@hudoig.gov)) and FloridaCommerce's HUD Community Planning and Development (CPD) Representative. *OLTR must provide a timely response within 15 working days of the receipt of a complaint, as stated in 84 FR 169.*

**Office of Long-Term Resiliency's comprehensive Anti-Fraud Waste and Abuse Policy can be found [here](#).**

## 8.0 Voluntary Buyout Beneficiary Requirements

### 8.1 Application Development

The subrecipient is responsible for developing and implementing an application and application process for property owners seeking Voluntary Home Buyout assistance. The following sections describe minimum process requirements for which FloridaCommerce will monitor each subrecipient.

#### 8.1.1 Application Intake and Eligibility Requirements

Completed applications are received by the subrecipient and the Voluntary Home Buyout applicant will be contacted for a personal consultation. While scheduling the consultation, the subrecipient should confirm application information and notify the applicant of all required documents.

The subrecipient must provide the applicant with a contact number for rescheduling the consultations in case of unforeseen circumstances. The subrecipient should establish procedures to ensure that communication with and access to program are fair and equitable. The subrecipient must also establish a communication policy that outlines how and when an applicant file will be put on hold, put in an inactive status or closed due to lack of applicant communication. These policies should be published for public viewing.

#### 8.1.2 Personal Consultation

At the personal consultation, the subrecipient will meet with the applicant and all adult (i.e., 18 or older) household members that are available to attend the consultation, to discuss the process of the Voluntary Home Buyout Program. The subrecipient must confirm the application information and collect the required documents supplied by the applicant. The subrecipient must independently verify, to the extent feasible, all application information.

#### 8.1.3 Area Median Family Income

During the personal consultation, the subrecipient should work with the applicant to calculate the household's Area Median Family Income (AMFI). Households with an AMFI above 80% are eligible to participate in the Voluntary Home Buyout Program; however, the calculation of the participant with household income above 80% AMFI will not be used as part of the 51% LMI area benefit, which is the National Objective. Additionally, CDBG-DR funding may not be used to provide assistance to households with an AMI greater than 120%.

#### 8.1.4 Deed Review

The subrecipient should inspect the applicant's warranty deed or deed of trust to the damaged address. Participants in the program must have fee simple title to the damaged address in order to participate.

#### 8.1.5 Tax Check

The subrecipient must confirm with the local jurisdiction the property tax status of all applicants. Eligible applicants must be current on all damaged address property taxes before conveying the damaged address to the subrecipient. Applicants must provide evidence that property taxes are current.

## 8.1.6 Duplication of Benefits

The subrecipient is required by the Stafford Act to verify all federal and state housing benefits received by the household and related to Hurricane Irma. The subrecipient must verify amounts received with the granting party and verify benefit expenditures with the applicant.

Costs that duplicate amounts received by or available to the property owner or affected tenant from another source for the same purpose is not allowable. These costs would include: U.S. Business Administration (SBA) loans, FEMA assistance, National Flood Insurance Program (NFIP), United States Department of Agriculture (USDA), or any other local, state, or federal related assistance for the same purpose.

FloridaCommerce will monitor subrecipient DOB policies and procedures and audit subrecipient files to verify DOB practices are implemented and compliant.

## 8.2 Site Eligibility

All properties to be purchased must have a damage inspection and an environmental review. The following sections describe the process.

### 8.2.1 Damage Inspection

The subrecipient shall coordinate with a damage inspector to verify hurricane damage at the damaged property address. The damage inspector must schedule an appointment with the applicant to visit the damaged property to confirm that damages caused by Hurricane Irma. The inspection report must also contain current color photographs of the damaged property. The photographs must be that of the exterior of all four sides and of the interior of the structure.

### 8.2.2 Environmental Reviews

After the damage inspection has been completed and it has been confirmed that the damages of the property were created by Hurricane Irma, an environmental review must be performed on the property. The site location will require environmental clearance even if reconstruction or rehabilitation will not take place at the site. Per HUD guidelines, any damaged property to which any funds provided by HUD are applied, including, but not limited to: demolition, site cleanup, conversion to green space, transfer of title, etc., must be environmentally cleared prior to such action.

If the applicant chooses to participate in the replacement housing award and is awarded a grant to assist them with relocation, the new property to which the applicant relocates will also require environmental clearance.

Subrecipients are responsible for conducting environmental reviews and may procure the environmental service providers to complete such reviews. Subrecipients must submit the environmental reviews to FloridaCommerce for approval. No funding may be committed to a buyout project until the project's environmental review is cleared/signed by FloridaCommerce.

## 8.3 Complaints

Subrecipients shall develop and implement a complaints protocol to log, track and resolve all complaints related to the Voluntary Home Buyout projects. The complaints resolution protocol must ensure that a timely response is provided to any individual or entity within 15 working days of receipt of the complaint. Complaints regarding fraud, waste, or abuse of government funds should be forwarded to the HUD OIG

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Fraud Hotline at: 1-800-347-3735 or: [hotline@hudoig.gov](mailto:hotline@hudoig.gov). FloridaCommerce will monitor subrecipient compliance with these requirements.

## 8.4 Appeals

The subrecipient shall establish appeal procedures to afford applicants an opportunity to dispute subrecipient decisions related to eligibility, award amount, appraisal value, and/or DOBs. FloridaCommerce will review subrecipient appeal procedures and monitor subrecipient appeal response.

## Appendix A: Budget Information Table

Direct Voluntary Home Buyout Program			
FMV	Estimated Demo Cost	Estimated Asbestos Testing Cost (if applicable)	Estimated Total Project Cost
\$150,000	\$15,000	\$1,500	\$172,500
\$100,000	\$12,000	\$1,500	\$119,500
\$50,000	\$15,000	\$1,500	\$72,500
Subtotal Budget Amount:			<b>\$364,500</b>

HMGP Match Program		
HMGP Total Project Cost	Federal Cost Share 75%	Non-Federal Cost Share 25%
\$100,000	\$75,000	\$25,000
\$200,000	\$150,000	\$50,000
\$75,000	\$56,250	\$18,750
Subtotal Budget Amount:		<b>\$93,750</b>

**Total Amount Requested \$458,250**

# Appendix B: Project Schedule

Highlight the projected length of months for each phase on the desired months. If a phase is not applicable, leave it blank. This project is expected to be completed within 24 months following the execution of the contract between the subrecipient and FloridaCommerce. Please provide any comments regarding the schedule that may be helpful.

MONTHS	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
Outreach Meetings																									
Application Intake and Appraisal Process																									
Inspections																									
Enviromental Reviews																									
Buyout Offer																									
Closing																									
DEMO																									
Final Inspection																									
Audit & Closeout																									

Note: If the proposed project requires a schedule longer than 24 months, justification must be provided.  
 Comments:

# Appendix C: Area Median Income Charts

Family Income Limit Categories by County & Zip Code										
FY 2018 Income Limit Area	Median Family Income	FY 2018 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
			Persons in Family							
			1	2	3	4	5	6	7	8
Monroe County, FL	\$84,400	Very Low (50%) Income Limits (\$)								
		Extremely Low Income Limits (\$)*	18,550	21,200	23,850	26,450	29,420	33,740	38,060	42,380
		Low (80%) Income Limits (\$)	49,400	56,450	63,500	70,550	76,200	81,850	87,500	93,150
			Persons in Family							
			1	2	3	4	5	6	7	8
Brevard County	\$64,800	Very Low (50%) Income Limits (\$)	22,700	25,950	29,200	32,400	35,000	37,600	40,200	42,800
		Extremely Low Income Limits (\$)*								
		Low (80%) Income Limits (\$)	36,300	41,500	46,700	51,850	56,000	60,150	64,300	68,450
			Persons in Family							
			1	2	3	4	5	6	7	8
Broward County	\$65,700	Very Low (50%) Income Limits (\$)	28,300	32,350	36,400	40,400	43,650	46,900	50,100	53,350
		Extremely Low Income Limits (\$)*	17,000	19,400	21,850	25,100	29,420	33,740	38,060	42,380
		Low (80%) Income Limits (\$)	45,300	51,750	58,200	64,650	69,850	75,000	80,200	85,350
			Persons in Family							
			1	2	3	4	5	6	7	8
Clay County	\$69,900	Very Low (50%) Income Limits (\$)	24,500	28,000	31,500	34,950	37,750	40,550	43,350	46,150
		Extremely Low Income Limits (\$)*	14,700	16,800	20,780	25,100	29,420	33,740	38,060	42,380
		Low (80%) Income Limits (\$)	39,150	44,750	50,350	55,900	60,400	64,850	69,350	73,800

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		Persons in Family								
		1	2	3	4	5	6	7	8	
<b>Collier County</b>	\$75,000	<b>Very Low (50%) Income Limits (\$)</b>	26,250	30,000	33,750	37,500	40,500	43,500	46,500	49,500
		<b>Extremely Low Income Limits (\$)*</b>	15,750	18,000	20,780	25,100	29,420	33,740	38,060	42,380
		<b>Low (80%) Income Limits (\$)</b>	42,000	48,000	54,000	60,000	64,800	69,600	74,400	79,200
		Persons in Family								
		1	2	3	4	5	6	7	8	
<b>Duval County</b>	\$69,900	<b>Very Low (50%) Income Limits (\$)</b>	24,500	28,000	31,500	34,950	37,750	40,550	43,350	46,150
		<b>Extremely Low Income Limits (\$)*</b>	14,700	16,800	20,780	25,100	29,420	33,740	38,060	42,380
		<b>Low (80%) Income Limits (\$)</b>	39,150	44,750	50,350	55,900	60,400	64,850	69,350	73,800
		Persons in Family								
		1	2	3	4	5	6	7	8	
<b>Hillsborough County</b>	\$63,900	<b>Very Low (50%) Income Limits (\$)</b>	22,400	25,600	28,800	31,950	34,550	37,100	39,650	42,200
		<b>Extremely Low Income Limits (\$)*</b>	13,450	16,460	20,780	25,100	29,420	33,740	38,060	42,200*
		<b>Low (80%) Income Limits (\$)</b>	35,800	40,900	46,000	51,100	55,200	59,300	63,400	67,500
		Persons in Family								
		1	2	3	4	5	6	7	8	
<b>Lee County</b>	\$63,700	<b>Very Low (50%) Income Limits (\$)</b>	22,300	25,500	28,700	31,850	34,400	36,950	39,500	42,050
		<b>Extremely Low Income Limits (\$)*</b>	13,400	16,460	20,780	25,100	29,420	33,740	38,060	42,050*
		<b>Low (80%) Income Limits (\$)</b>	35,700	40,800	45,900	50,950	55,050	59,150	63,200	67,300
		Persons in Family								
		1	2	3	4	5	6	7	8	
<b>Miami-Dade County</b>	\$52,300	<b>Very Low (50%) Income Limits (\$)</b>	27,550	31,500	35,450	39,350	42,500	45,650	48,800	51,950

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		<b>Extremely Low Income Limits (\$)*</b>	16,550	18,900	21,250	25,100	29,420	33,740	38,060	42,380
		<b>Low (80%) Income Limits (\$)</b>	44,100	50,400	56,700	62,950	68,000	73,050	78,100	83,100
			Persons in Family							
			1	2	3	4	5	6	7	8
<b>Orange County</b>	\$62,900	<b>Very Low (50%) Income Limits (\$)</b>	22,400	25,600	28,800	31,950	34,550	37,100	39,650	42,200
		<b>Extremely Low Income Limits (\$)*</b>	13,450	16,460	20,780	25,100	29,420	33,740	38,060	42,200*
		<b>Low (80%) Income Limits (\$)</b>	35,800	40,900	46,000	51,100	55,200	59,300	63,400	67,500
			Persons in Family							
			1	2	3	4	5	6	7	8
<b>Osceola County</b>	\$62,900	<b>Very Low (50%) Income Limits (\$)</b>	22,400	25,600	28,800	31,950	34,550	37,100	39,650	42,200
		<b>Extremely Low Income Limits (\$)*</b>	13,450	16,460	20,780	25,100	29,420	33,740	38,060	42,200*
		<b>Low (80%) Income Limits (\$)</b>	35,800	40,900	46,000	51,100	55,200	59,300	63,400	67,500
			Persons in Family							
			1	2	3	4	5	6	7	8
<b>Palm Beach County</b>	\$74,300	<b>Very Low (50%) Income Limits (\$)</b>	26,950	30,800	34,650	41,550	44,650	47,700	50,800	
		<b>Extremely Low Income Limits (\$)*</b>	16,150	18,450	20,780	29,420	33,740		38,060	42,380
		<b>Low (80%) Income Limits (\$)</b>	43,050	49,200	55,350	66,450	71,350	76,300	81,200	
			Persons in Family							
			1	2	3	4	5	6	7	8
<b>Polk County</b>	\$53,600	<b>Very Low (50%) Income Limits (\$)</b>	18,800	21,450	24,150	26,800	28,950	31,100	33,250	35,400
		<b>Extremely Low Income Limits (\$)*</b>	12,140	16,460	20,780	25,100	28,950*	31,100*	33,250*	35,400*
		<b>Low (80%) Income Limits (\$)</b>	30,050	34,350	38,650	42,900	46,350	49,800	53,200	56,650
			Persons in Family							
			1	2	3	4	5	6	7	8

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<b>St. Lucie County</b>	\$60,500	<b>Very Low (50%) Income Limits (\$)</b>	21,200	24,200	27,250	30,250	32,700	35,100	37,550	39,950		
		<b>Extremely Low Income Limits (\$)*</b>	12,750	16,460	20,780	25,100	29,420	33,740	37,550*	39,950*		
		<b>Low (80%) Income Limits (\$)</b>	33,900	38,750	43,600	48,400	52,300	56,150	60,050	63,900		
			1	2	3	Persons in Family		4	5	6	7	8
<b>Volusia County</b>	\$55,100	<b>Very Low (50%) Income Limits (\$)</b>	19,500	22,300	25,100	27,850	30,100	32,350	34,550	36,800		
		<b>Extremely Low Income Limits (\$)*</b>	12,140	16,460	20,780	25,100	29,420	32,350*	34,550*	36,800*		
		<b>Low (80%) Income Limits (\$)</b>	31,200	35,650	40,100	44,550	48,150	51,700	55,250	58,850		

# Appendix D: Demonstrations of Award Calculation Methodology

## Example 1- Buyout Only:

This is a scenario where 100% of the funding for the buyout will be CDBG-DR money and the homeowner did not receive any housing replacement assistance and had duplication of benefits provided by insurance coverage:

Pre-Event Fair Market Value	\$200,000
Subtract Insurance DOB	\$50,000
<b>Total Buyout Award</b>	<b>\$150,000</b>

Because the applicant in this example received \$50,000 in insurance money to repair the damaged structure, the amount must be subtracted from the pre- event FMV as a DOB. This makes the purchase price available to the homeowner \$150,000.

## Example 2- Buyout and Replacement Housing Assistance:

This is a scenario where the homeowner received \$20,000 in replacement housing assistance from a different source of funding prior to applying for the Voluntary Home Buyout Program. The amount received is \$5,000 less than the maximum amount that is being offered in the Housing Replacement Assistance under the Rebuild Florida program. Therefore, the homeowner would only qualify for \$5,000 in Housing Replacement Assistance under the Rebuild Florida program. This homeowner also had DOB from insurance in the amount of \$40,000. Viewed as two separate activities, the same result can be reached. The following approaches are taken by CDBG-DR and HMGP. Both approaches are assuming that the homeowner is purchasing property that costs \$25,000 more than their pre-event fair market value of the damaged property they are selling to the rebuild Florida program.

<b>CDBG-DR Buyout Example</b>	
Pre-Flood Event Market Value:	\$100,000
Replacement Housing Assistance:	\$25,000
<b>Total for Buyout and Replacement Housing:</b>	<b>\$125,000</b>
Total for Buyout and Replacement Housing:	\$125,000
Subtract Insurance DOB:	\$40,000
Subtract Prior Housing Assist. DOB:	\$20,000
<b>Buyout and Replacement Award:</b>	<b>\$65,000</b>

For HMGP, the buyout and housing replacement assistance award are treated indecently as two separate activities, but the ultimate total funding amount derived from this method is the same as the method above for CDBG-DR buyouts.

<b>HMGP Buyout Example:</b>	
Pre-Flood Event Market Value:	\$100,000
Subtract Insurance DOB:	\$40,000
<b>Buyout Award:</b>	<b>\$60,000</b>
CDBG-DR Replacement Award:	\$25,000
Subtract Prior Housing Assist. DOB:	\$20,000
<b>Replacement Housing Award:</b>	<b>\$5,000</b>