



Rebuild Florida Hazard Mitigation Grant Match Program

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This document provides the guidelines for implementation of the Hurricane Michael Hazard Mitigation Grant Match Program administered by the Florida Department of Economic Opportunity (DEO). This program is funded by the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant – Disaster Recovery (CDBG-DR) allocation described in the Supplemental Appropriations for Disaster Relief Act, 2018 (Public Law 115-254) and the Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Public Law 116-20).

VERSION 1.1

AUGUST 20, 2021

VERSION HISTORY

Version Number	Change Date	Summary of Changes
1.0	7/20/2021	Original Document
1.1	8/20/2021	Changed formatting of entire document to mirror OLTR Policy Document guidelines. Reorganized certain sections to mirror other OLTR policy documents.

VERSION POLICY

Version history is tracked in the Version History Table 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 Michael Community Development Block Grant - Disaster Recovery Program 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 Department of Economic Opportunity's Policies and Procedures Manual.

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1.0 Definitions

Action Plan: The State of Florida’s Action Plan for Hurricane Michael long-term recovery provides the high-level strategy to carry out strategic and high-impact activities to minimize or eliminate risks and reduce losses from future disasters. The Action Plan also describes the opportunity to improve state and local planning protocols and procedures. The Action Plan was approved by HUD on June 26, 2020.

Applicant: Any entity that submits a response to the request for applications (RFA) for potential funding through the CDBG-DR program.

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

CDBG: Community Development Block Grant program.

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

DBA – Davis-Bacon Act: Federal law requiring contractors and subcontractors performing on federally funded or assisted contracts for the construction, alteration, or repair of public buildings or public works to pay their laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area

DEO – Florida Department of Economic Opportunity: Administrator of the CDBG-DR program funded by HUD under Public Law 115-254 and 116-20. DEO is the governor-designated state authority responsible for administering all long-term disaster recovery funds awarded to Florida from HUD.

DOB – Duplication of Benefits: As defined in 84 Fed. Reg. 22836 (January 20, 2021), a duplication of benefits occurs when subrecipient receives disaster assistance from multiple sources for the same recovery purpose, and the total assistance received for that purpose is more than the total need. DEO must prevent DOB when carrying out eligible activities. This DOB prohibition comes from the Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) and therefore, other sources of funds must be deducted from any potential award or expenditures for individual participants.

FEMA: Federal Emergency Management Agency.

FR – Federal Register: The official journal of the Federal government of the United States that contains government agency rules, proposed rules, and public notices issued by federal administrative agencies.

FRN – Federal Register Notice: A Federal Register Notice is issued for each CDBG-DR funded disaster. The FRN outlines the rules that apply to each allocation of disaster funding.

HMGP: Hazard Mitigation Grant Program.

HUD: United States Department of Housing and Urban Development.

LMH – Low to Moderate Income Household: A household having an income equal to or less than the Section 8 low income limit established by HUD.

Low- to Moderate-Income Resident/Person/Individual: Means a person whose annual income does not exceed 80 percent of the median income for the area as most recently determined by HUD.

LMI – Low-and-Moderate-Income National Objective: Activities that benefit households whose total annual gross income does not exceed 80% of AMI, adjusted for family size.

- **Extremely low:** Household’s annual income is up to 30% of the area median family income, as determined by HUD, adjusted for family size.

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

MIDs – Most Impacted and Distressed Areas: Areas of most impact as determined by HUD or the state using the best available data sources to calculate the amount of disaster damage. The HUD-designated MID areas include Bay, Calhoun, Franklin, Gadsden, Gulf, Jackson, Liberty, Wakulla and Washington Counties; The state-identified MID areas, Holmes, Leon and Taylor Counties are also eligible for funding due to having received both Individual Assistance (IA) and Public Assistance (PA) through the Federal Emergency Management Agency (FEMA).

RFAs – Request for Applications: The DEO notice requesting applications for funding as a subrecipient for the CDGB-DR program.

Response: Any application received for CDBG-DR funding.

Subrecipient: Subrecipient is defined by 2 CFR § 200.331(a).

Subrecipient Agreement: An agreement between DEO and a subrecipient that has been awarded funding to implement a CDBG-DR project. The agreement details the conditions under which funds are provided and the contractual obligations to which the subrecipient must adhere.

Subrogation: Subrogation is a legal doctrine that allows one entity to take on the rights of another. In the context of disaster recovery grants, a subrecipient must enter into a subrogation agreement in which the funding agency (DEO) obtains the right to collect any additional disaster recovery payments the entity obtains for the same purpose after the entity has received disaster recovery benefits.

UGLG: Units of General Local Government.

Urgent Need: A recent need that poses a serious and immediate threat to the health or welfare of the community.

2 CFR 200 Subpart E: Code of Federal Regulations passage that governs CDBG-DR administrative requirements and cost principles.

2.0 Introduction

The Florida Department of Economic Opportunity (DEO) has allocated \$109,000,000 in funding for the Rebuild Florida Hazard Mitigation Grant Match Program (Match Program) through the Community Development Block Grant – Disaster Recovery (CDBG-DR) Program by the U.S. Department of Housing and Urban Development (HUD) to address unmet disaster recovery needs related to damage from Hurricane Michael. These Guidelines will describe applicant and project eligibility, program guidelines and application procedures for the Match Program.

FEMA’s Hazard Mitigation Grant Program (HMGP) requires a local match of 25%. This program will fund the local match portion of the HMGP award. These funds represent a unique and significant opportunity for the state, in the areas most impacted by recent disasters, to carry out strategic and high impact activities to rebuild and harden infrastructure to prevent or reduce losses in future disasters.

2.1 Eligible Counties

Eligible Counties that Experienced Storm Damage			
Bay *	Gadsden *	Jackson *	Wakulla *
Calhoun *	Gulf *	Leon	Washington *
Franklin *	Holmes	Liberty *	Taylor

**Eligible applicants in the following counties may apply for funding based on the terms and conditions in this application:*

**HUD most Impacted and Distressed (MID) Counties*

2.2 Eligible Applicants

Entities that have been awarded HMGP funding that are located in the HUD and State designated MID areas that experienced Hurricane Michael storm damage are eligible to apply for funding if the project complies with the CDBG-DR and State Action Plan for Hurricane Michael requirements. Applications should include plans to mitigate against future damage and show how the proposed project will assist the community in rebuilding after Hurricane Michael. Projects located in facilities for the general conduct of government are not eligible.

DEO encourages all prospective applicants to read the State Action Plan for Hurricane Michael long-term recovery located at: <http://www.floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/disaster-recovery-initiative/hurricane-michael>

CDBG-DR funding for this application covers Florida’s mitigation efforts for Hurricane Michael (October 2018, Presidential Disaster Declaration 4399-DR).

3.0 Background

Following a major disaster, Congress may appropriate funds through the CDBG-DR program to satisfy a portion of unmet need that remains after other federal assistance such as the Federal Emergency Management Agency (FEMA), Small Business Administration (SBA) or private insurance have been allocated. DEO is the lead agency and responsible entity for administering the CDBG-DR funds allocated to the State of Florida.

HUD uses the best available data to identify and calculate unmet needs for disaster relief, long-term recovery, restoration of infrastructure, housing and economic revitalization. Based on this assessment, HUD announced that the State of Florida would receive an allocation of \$735,553,000 in disaster recovery funds to assist in the long-term recovery from the hurricane.

To ensure the funds assist the most impacted areas as outlined in the Federal Register, 80 percent of funding awarded to the state will go to the HUD-identified Most Impacted and Distressed (MID) counties. The remaining 20 percent of funding may be awarded to state-designated MID areas.

During the implementation process, program funding will be provided to subrecipient awardees. Subrecipients must develop and implement policies, procedures, and processes to deliver and maintain projects/services. Projects and services may be provided by the subrecipient directly or in partnership with governmental, private sector, or non-profit partners. At the conclusion of the term specified in the subrecipient agreement, the grant will be closed. DEO, with the support provided by its designated partners, will monitor subrecipients throughout the life of the project.

4.0 General Information

The availability of HUD CDBG-DR funding was formally announced by publication in the Federal Register, Volume 85, Number 17 on January 27, 2020 (85 FR 4681).

<https://www.govinfo.gov/content/pkg/FR-2020-01-27/pdf/2020-01204.pdf>.

Federal Register requirements clearly state that funds may be used only for disaster relief and long-term recovery in communities affected by the specified disaster. Requirements provide that funds be directed to areas with the greatest need. All CDBG-DR funded eligible activities must tie to storm damage as specified in and not prior to the Presidential Disaster Declaration 4399 for Hurricane Michael on October 11, 2018. (<https://www.fema.gov/disaster/4399>). All projects must be directly related to Hurricane Michael. CDBG-DR funds cannot be used to replace or reimburse any available funding, such as FEMA Individual and Public Assistance (IA/PA). However, in certain situations, CDBG-DR funds can serve as the local match portion for eligible projects.

5.0 HUD CDBG-DR Program and Project Funding Directivities

In response to HUD directives, the State Action Plan directs DEO to fund projects and programs that:

- Provide the maximum feasible priority to activities that will benefit low-and moderate-income families

The aggregate use of the CDBG-DR funds made available under this application shall principally benefit low- and moderate-income (LMI) families in a manner that ensures that at least 70 percent of the grant amount is expended for activities that benefit such persons.

- Unmet economic revitalization and infrastructure needs

Federal Register Volume 85, Number 17 dated January 27, 2020 states: “Grantees receiving an allocation of funds under this notice are subject to the requirements of the Prior Notices, as amended by this notice or by subsequent notices. Pursuant to the Prior Notices, each grantee receiving an allocation for a 2018 or 2019 disaster is required to primarily consider and address its unmet housing recovery needs. These grantees may, however, propose the use of funds for unmet economic revitalization and infrastructure needs unrelated to the grantee’s unmet housing needs if the grantee demonstrates in its needs assessment that there is no remaining unmet housing need or that the remaining unmet housing need will be addressed by other sources of funds” (p. 4682).

For more information: <https://www.govinfo.gov/content/pkg/FR-2020-01-27/pdf/2020-01204.pdf>

Projects or programs must address a clear unmet need:

- Tied to Hurricane Michael,
- Primarily serving Low-and Moderate-Income (LMI) populations, and
- Primarily serving housing activities.

6.0 THRESHOLD AND SCORING CRITERIA

A two-phased process to review applications will be used. First, proposals must pass HUD CDBG-DR Threshold Compliance Criteria. Second, DEO will review and score each proposal based on Scoring Criteria. If a proposal does not satisfy all of the Threshold Compliance Criteria, DEO cannot proceed to score it for funding consideration. The maximum score for Scoring Criteria is 105 points.

6.1 CDBG-DR Threshold Compliance Criteria

Every project application must satisfy all of the following Threshold Compliance Criteria to be determined eligible:

- Located within an eligible HUD or State designated MID area
- Benefits an LMI area or addresses an urgent need
- Is an eligible activity under HUD guidelines
- Is an eligible activity under the State Action Plan for Hurricane Michael
- Addresses an unmet need tied to Hurricane Michael

Projects must meet a CDBG-DR National Objective such as:

- Benefit LMI individuals
- Benefit LMI areas
- Address an urgent need

Infrastructure Projects must be considered as CDBG-DR Eligible Activities.

See below for more detail on the range of subset eligible activities within the above noted category. For more information:

Projects or programs must address a clear unmet need:

- Tied to Hurricane Michael
- Primarily serving LMI populations
- Primarily serving housing activities

6.2 Scoring Criteria

Once a proposal is determined to satisfy CDBG-DR's Threshold Compliance Criteria, DEO will apply scoring based on the following Scoring Criteria. The maximum Scoring Criteria score is 105.

Scoring will focus on the following five categories:

- Overall LMI benefit (Percent LMI benefit of the activity)
- Stormwater Infrastructure
- Leverage of Funds
- Project impact
- Community Centers and Safe Rooms

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The following chart further defines each category and lists the maximum point allocation for each scoring category. In the event of a scoring tie, projects that have a higher LMI or are located within HUD designated MID areas will be considered first.

Maximum Points		
1	<p>Overall LMI benefit (Percent LMI benefit of the activity): The LMI score will be determined on the service area the project serves, in order to calculate the LMI score. The applicant should provide their LMI data for the project service area in a percentage form. For example, if the service area LMI is 65% DEO will multiply by 30 (the maximum amount of points) to receive the final LMI score of 19.5 points.</p>	30
2	<p>Leverage of Funds: CDBG-DR funds used as local match for a federal program - 15 points CDBG-DR funds used along with leveraged funds from the applicant- 15 points</p>	30
3	<p>Project Impact: The impact of the project on the community should be significant with an emphasis on health and safety, including but not limited to: economic impact (businesses involved in design, engineering and construction; creation of jobs; savings of economic losses attributable to service interruptions, e.g. industries dependent on clean water and waterways), community resiliency, etc. On a scale of 0 to 15, 0 points should be awarded to projects with little to no impact and up to 15 points can be awarded to projects that have a significant economic or health/safety community impact.</p>	15
4	<p>Homeless Shelter and Facilities Serving as Shelters during Disasters: An applicant can score a maximum of 15 points if the project mitigates a Community Center or Safe Room.</p>	15
5	<p>Stormwater Infrastructure: All storm water, potable water, drainage and wastewater projects: 10 points Evacuation routes: 5 points</p>	15
Total Maximum Score:		105

7.0 Eligible Activities

To be eligible for consideration of funding, applicants must propose programs or projects that align with CDBG-DR and DEO requirements and priorities as outlined in the State Action Plan and the Federal Register. Eligible activities include but are not limited to:

- Projects must demonstrate tie-back to Hurricane Michael.
- Projects must primarily serve LMI populations.
- Projects for infrastructure must support LMI housing.
- Projects must not duplicate benefits.

8.0 Environmental Clearance

All CDBG-DR activities must comply with the provisions of the National Environmental Policy Act of 1969 (NEPA), as well as all HUD environmental regulations provided in 24 CFR part 58. All subrecipients will be responsible for conducting the required environmental study and supplying the information to DEO for clearance. The environmental review must be completed and approved prior to any funds being disbursed for the project or construction commencing. If an identified environmental condition cannot be cleared, the project may be deemed ineligible for funding.

9.0 CDBG-DR Compliance

All applicants with proposals approved for CDBG-DR funds under this application must execute a subrecipient agreement with DEO which will specify all terms and conditions for successful program and/or project and compliance management of a grant. The DEO subrecipient agreement will include, but is not limited to, the following topics:

9.1 National Objectives

All activities must meet one of the National Objectives set out in the Housing and Community Development Act, with at least 70 percent of the dollars going towards projects benefiting LMI persons. In the Rebuild Florida Hazard Mitigation Grant Match Program, the two National Objectives that will be addressed are:

- Benefit LMI persons; or
- Meet an urgent need.

9.2 Cross-Cutting Federal Regulations

DEO requires projects or programs selected for CDBG-DR funding to meet HUD crosscutting federal regulations, such as NEPA environmental review, duplication of benefits, fair housing, Section 3 employment, Davis Bacon Act wages and other regulations which will be specified in the subrecipient funding agreement. For more information please see:

<https://www.hudexchange.info/resources/documents/CDBG-DR-Cross-CuttingTraining-Resources.pdf>

9.3 Citizen Participation Requirements

All applicants must submit evidence of a publicly noticed meeting or public comment period to discuss the proposed project and application for the Rebuild Florida Hazard Mitigation Grant Match Program. Counties eligible to receive funds must consider the needs of all municipalities (and federally recognized tribes) within the incorporated and unincorporated area of the county (and reservations contiguous to the county).

Evidence of public meeting with governments must meet the following requirements:

- Notice of the public meeting must be provided at least five (5) days prior to the meeting.
- Documentation of the meeting must include sign-in sheets and minutes.

Prior to submitting an application for CDBG-DR funding, applicants are required to post a public notice in a newspaper of general circulation and to their website that states the types of projects to be undertaken, the source and amount of funding available for the activities, the date by which comments must be made and a contact person for a copy of the proposed application. Applicants must provide for a 10-day comment period, which must be published prior to the submission of the application.

Evidence of the public notice must meet the following requirements:

- Documentation of newspaper advertisement.
- Print-out of county webpage showing public notice.
- Documentation that the needs of non-English speaking citizens have been met where a significant number of non-English speaking citizens can be reasonably expected to participate. In this case, the public notice will need to be translated into Spanish.

9.4 Use of CDBG-DR as Match

Funds will be used to meet a matching, share, or contribution requirement for the FEMA HMGP to carry out an eligible CDBG-DR activity.

9.5 System of Record and Compliance Verifications

DEO will provide a System of Record that will serve as the repository for all program and project compliance documentation to satisfy monitoring and audit requirements. In addition, the System of Record will enable DEO to review document files and conduct Duplication of Benefits, Verification of Benefits and related verifications required to comply with CDBG-DR regulations. Subrecipient awardees are required to assemble and review all compliance documentation and upload them to the System of Record in an orderly manner. DEO will provide training to subrecipients on how to manage their CDBG-DR programs and projects with the new system of record.

9.6 Cost Reasonable and Anti-Fraud, Waste and Abuse

DEO seeks to balance the HUD requirement that all projects meet the standard of cost reasonable and avoid waste, fraud and abuse while still providing sufficient funding to address unmet needs. Therefore, applicants in their submissions must provide evidence for how their programs and proposals will meet cost reasonableness and anti-fraud, waste and abuse standards.

The grantee must demonstrate the following by:

- Addressing a problem caused by Hurricane Michael that poses a significant risk to public health or safety if left unresolved;
- Ensuring that total project cost will not exceed the anticipated value of the reduction in both direct damages and subsequent negative impacts to the area if future disaster were to occur;
- Demonstrating that the project has been determined to be the most practical, effective, and environmentally-sound alternative after consideration of a range of options;
- Demonstrating, to the extent practicable, that the project contributes to a long-term solution to the problem it is intended to address; and
- Demonstrating that the project considers long-term changes to the areas and entities it impacts and has manageable future maintenance and modifications requirements.

9.7 CDBG-DR Costs Guidance

Applicants in their budget proposals must include all costs related to the construction and ongoing, necessary maintenance, of the infrastructure project. All funding sources must also be included.

DEO will apply the following standards in the analysis and ongoing compliance review of allowable costs. Please see <https://files.hudexchange.info/resources/documents/CDBG-DR-Cost-Types-Summary.pdf> for HUD guidance.

As outlined in **2 CFR 200 Subpart E**, all costs must satisfy these four criteria:

- **Necessary:** CDBG-DR funding will fill a necessary gap to address an unmet need that cannot be filled by another funding source. This is demonstrated by conducting a duplication of benefits analysis and calculation for each activity.
- **Reasonable:** Costs do not exceed what a prudent person would incur under similar circumstances as demonstrated by the market price for comparable goods and services.
- **Allowable:** Costs must be allowable under CDBG-DR rules and regulations and under 2 CFR 200 Subpart E. Some costs such as lobbying, entertainment, and alcohol are never allowed under any circumstances.
- **Allocable:** Costs must be clearly allocated, meaning the cost is assigned to a CDBG eligible activity with a methodology for determining where to attribute cost.

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Activity Delivery Costs must be tied to the time staff and contractors dedicate to a specific project. Applicants must show how the proposed Activity Delivery Costs are or will be cost reasonable through procurement of professional services and/or cost of in-house staff to provide program or project related services. All Activity Delivery Costs must be included as part of the total project costs in a request for CDBG-DR funding.

10.0 Application Procedures

All eligible applicants will be expected to complete and submit all required attachments to the Rebuild Florida Hazard Mitigation Grant Match Program Application.

DEO may request additional supporting documents during the application review period and site visit period.

DEO will score each proposed project separately based on information provided in the HMGP application and supplemental documentation. DEO reserves the option to fund none, a selection of, or all the project proposed by an applicant.

DEO will require applicants that choose to voluntarily participate in the CDBG-DR Match program to complete and submit a supplemental application specific to CDBG-DR.