



TRANSFORM386

STRENGTHENING VOLUSIA'S FUTURE

Rental Repair Reimbursement Program

Policies and Procedures Community Development Block Grant – Disaster Recovery





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Version History

Version	Date	Notes
1.0	May 15, 2024	Initial policy manual based on program model described in the Action Plan.
1.1	December 16, 2024	Revised to reflect change in award types from rehabilitation and reimbursement to reimbursement only.

1.0 Overview

Hurricane Ian made landfall over Southwest Florida, on September 28th, 2022. Over the course of the next 48 hours, the storm proceeded to cut through central Florida along a Northeast trajectory, leaving a trail of destruction in its wake. Hurricane Ian's impact on Volusia County was devastating. Storm surge brought flooding between three and five feet above ground level to Volusia's coastal communities, while the storm's heavy rains inundated the county's inland population centers with 22 inches of rain in a 24-hour period. Nearly 115,000 households in the county lost power. Of the nearly 35,000 single family homes that suffered storm damage, over 4,700 had a foot or more of flooding.

On December 29, 2022, Public Law 117-328 was signed into law by the President of the United States, authorizing the U. S. Department of Housing and Urban Development (HUD) Secretary to allocate up to \$3 billion in Community Development Block Grant – Disaster Recovery (CDBG-DR) funding to areas impacted by disasters in 2022. On May 18, 2023, HUD announced in the Federal Register (88 FR 32046), that it would be providing Volusia County with a total of \$329 million in CDBG-DR funding for “disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the “most impacted and distressed” (MID) areas resulting from a qualifying major disaster in 2021 or 2022.” In that same notice, HUD designated the entirety of Volusia County a MID area. These funds are designed to satisfy a portion of the unmet need that remains after other federal assistance, such as the Federal Emergency Management Agency (FEMA), Small Business Administration (SBA), National Flood Insurance Program (NFIP), or private insurance, has been allocated.

Volusia County was designated as the responsible entity for administering the CDBG-DR funds allocated to the county. In August 2023, the Volusia County Council created the Office of Recovery and Resiliency (ORR) to administer Volusia County's CDBG-DR funding and to oversee recovery operations. The CDBG-DR Action Plan provides a concise summary of the proposed programs and activities for use of the CDBG-DR funds in order to meet the unmet needs identified through the unmet needs assessment process. Volusia County's Action Plan allocates the CDBG-DR funds across different recovery programs, including single-family housing, rental housing, multi-family new construction, infrastructure, mitigation, and public services.

1.1 Definitions

Application: refers to execution of the lien at the Contract Signing Event. By this point, the applicant has qualified for reimbursement and has demonstrated compliance with all threshold eligibility requirements.

Area Median Income (AMI): Calculated limits based on HUD-estimated median family income with adjustments based on family size.

Adjusted Gross Income (AGI): defined as gross income minus adjustments to income for each household member over the age of 18.

Case Management: Working with individual survivors and their families to understand the Rental Repair Reimbursement Program's housing options, resulting in a clear and transparent determination of eligibility.

Davis-Bacon Act of 1931: (40 USC Part 3141 et seq.) and Related Acts – All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with the assistance received under this chapter shall be paid fair wages.

Demolition: The destruction, clearance, and proper disposal of buildings, improvements, and any other necessary items from an eligible property.

Duplication of Benefits: The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any person, business concern, or other entity from receiving financial assistance from CDBG- DR funding with respect to any part of a loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other source.

Environmental Review: All substantially eligible applicants must undergo an environmental review process. This process ensures that the activities comply with the National Environmental Policy Act (NEPA) and other applicable state and federal laws.

Housing Incentives: Incentive payments are generally offered in addition to other programs, to encourage households to relocate to a suitable area.

Housing and Urban Development Act of 1968, Section 3: Requires the Subrecipient to ensure that training, employment, and other economic opportunities generated by HUD financial assistance shall be directed to the greatest extent feasible and consistent with existing Federal, State, and Local laws and regulations, to low and very low-income persons. Recipients of Section 3-covered funding ensure compliance and the compliance of their contractors/subcontractors with the Section 3 requirements, as outlined in 24 CFR 135.32.

LMI – moderate: The moderate-Income category describes applicants with household income levels between 51% and 80% of the Area Median Income level.

LMI – low: The low-Income category describes applicants with household income levels between 31% and 50% of the Area Median Income level.

LMI – very low: The very Low-Income category describes applicants with household income levels between 0% and 30% of the Area Median Income level.

Manufactured Housing Unit (MHU): A structure, transportable in one or more sections which, in the traveling mode is eight body-feet or more in width, or forty body-feet or more in length, or when erected on site, is at least 320 square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities and includes the plumbing, heating, air-conditioning, and electrical systems contained therein. 24 CFR Part 3280.

Medium Income: medium income describes households between 81% and 120% of the Area Median Income. While such households are eligible for assistance, they cannot meet an LMI national objective.

Reconstruction: refers to the “demolishing of a housing unit and rebuilding it on the same lot in substantially the same manner.” From Subsection II.B.2.a of Appendix B of the May 18, 2023, Federal Register Notice. For purposes of this policies and procedures manual, “reconstruction” is synonymous with “replacement.”

Site-built Home: site-built home refers to any home that is built on a fixed foundation, whether it be made of brick or cinderblock construction or wood-frame construction.

Subrogation Agreement: An agreement executed by the beneficiary agreeing to repay or turn over to Rental Repair Reimbursement Program any duplicative assistance if they later receive other disaster assistance for the same purpose.

Substantial improvement: means any reconstruction, rehabilitation, addition, or other improvement of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before the “start of construction” of the improvement. This term includes structures which have incurred “substantial damage”, regardless of the actual repair work performed. The term does not, however, include either:

(1) Any project for improvement of a structure to correct existing violations of state or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions or

(2) Any alteration of a “historic structure”, provided that the alteration will not preclude the structure’s continued designation as a “historic structure.” 44 CFR 59.1.

Substantial Damage: refers to damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before damage occurred. 44 CFR 59.1.

Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended (Title 49 CFR Part 24) (Uniform Act referred to URA): Applies to all acquisitions of real property or displacements of persons resulting from Federal or federally-assisted program or projects. URA’s objective is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects. For the purposes of these guidelines, URA mostly applies to residential displacements in involuntary (49 CFR Subpart B) acquisition or multi-family damaged/occupied activities that require the relocation of the tenants. A displaced person is eligible to receive a rental assistance payment that is calculated to cover a period of 42 months.

1.2 Purpose and Objectives

The purpose of the Rental Repair Reimbursement Program is to assist rental property owners who reside in Volusia County whose rental properties were damaged by Hurricane Ian. Under the Volusia County’s CDBG-DR Action Plan, assistance will be provided after the rehabilitation of rental properties. The program will focus on unmet housing needs in the rental market by providing safe, sanitary, and secure housing. The program will directly address the unmet housing need in Volusia County’s rental housing stock by providing housing reimbursement for repairs conducted by rental property owners of single-family structures (less than five attached units).

All proposed activities within the Rental Repair Reimbursement Program must meet one of the following HUD National Objectives: benefit low-to-moderate-income persons or to address an Urgent Need. The maximum award for eligible applicants is no more than \$50,000 per rental unit. The Rental Repair Reimbursement Program will offer assistance in the form providing reimbursement awards for repair work completed by property owners prior to applying for rental housing assistance.

Participants in the Rental Repair Reimbursement Program must have documented damage to their rental housing units as a result of the 2022 Hurricane Ian disaster and meet the following eligibility criteria:

- Own, or have an ownership interest in, both at the time of the disaster, and at the time of application and service, a structure that meets the definition of a single family housing unit or accessory dwelling unit (ADU);
- The property owner must be a resident of Volusia County at the time of application;

- The eligible structure must have been rented or available for rent at the time of application;
- The structure must have been damaged by Hurricane Ian and have a remaining unmet need.

Short term rental properties are not eligible for assistance through the Rental Repair Reimbursement Program. For purposes of the Rental Repair Reimbursement Program, a short term rental is defined as having a lease term that is less than six (6) months.

Rental property owners who receive assistance from the Rental Repair Reimbursement Program will be required to commit to providing affordable rental housing in accordance with HUD guidelines for a period of 20 years. The affordability requirement states that the property owner must lease the units to LMI households earning 80 percent or less of the American Median Income (AMI) and must lease the units at an affordable rent. Rent must comply with the maximum HUD HOME rent limits, which are the lesser of:

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

As this is a reimbursement only program, ORR is in compliance with Uniform Relocation Act (URA) requirements.

1.3 Process Overview

Rental property owners who participate in the Rental Repair Reimbursement Program can expect their case to progress according to the following five-step process:

1. **Preliminary Application Submission, Eligibility and Priority Determination:** The applicant will complete the intake process by submitting intake documents for preliminary eligibility determination. ORR will review the submitted documentation and make a preliminary eligibility determination.
2. **Damage Repair Verification:** A Damage Repair Verification will be scheduled with the rental property owner after eligibility and priority status are confirmed. A Damage Repair Verification is a meeting in which inspections take place at a scheduled time. These meetings include:
 - a. Damage Repair Verification, and
 - b. Environmental questionnaire
3. **Duplication of Benefits Analysis:** ORR will verify any sources of assistance received by the applicant through third party verification. The verified duplication of benefit will then be incorporated into the applicant's final award calculation.
4. **Contract Signing:** ORR will provide eligible applicants with an award letter informing them that ORR intends on serving them, pending available funds, through reimbursing completed repair costs to their rental unit/(s). Applicants will commit to provide affordable rental housing in accordance with HUD guidelines for a period of 20 years.
5. **Reimbursement:** Distribution of funds.

2.0 Program Eligibility

Rental property owners who reside in Volusia County and own rental properties that were damaged by Hurricane Ian are eligible for Rental Repair Reimbursement Program assistance provided that they currently reside in Volusia County and that their rental properties were rented or available for rent at the time of the storm. Applicants will be required to provide complete, accurate, verifiable information regarding their residency, property ownership, and rental history to ORR's Project Coordinators during application intake. Failure to disclose complete and accurate information in a timely manner may affect applicant eligibility. Any applicant who deliberately submits inaccurate, incomplete, or false information in order to meet the eligibility standard will, at a minimum, be required to make full restitution to Volusia County. This includes forfeiture of a forgivable lien on the property.

Each preliminary application will be reviewed for the following eligibility and benefit determination criteria by ORR's Project Coordinator's during intake:

- Identity,
- Primary residency status,
- Rental history,
- Tenant household composition,
- Proof of damages sustained during Hurricane Ian,

Participants will be required to certify to all eligibility criteria and must sign an acknowledgment agreeing to the following false claims statement: "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 and under applicable Florida law."

2.1 Intake

Volusia County residents will be applying for CDBG-DR housing assistance directly to the Rental Repair Reimbursement Program online at transform386.org. Applicants will need to submit proof of identify, primary residency, property ownership, damage by Hurricane Ian, rental history, and tenant household composition and adjusted gross income. Additionally, applicants must authorize the Rental Repair Reimbursement Program to conduct a Damage Repair Verification and obtain 3rd-party data to verify any disaster related assistance that may be duplicative. Applicants may also be required to sign other documentation such as a communication designee form, discussed further in section 2.4 Rental Property Ownership, or Power of Attorney (POA) form, if applicable.

The Rental Repair Reimbursement Program will review documentation submitted by affected rental property owners to determine if the applicant meets the threshold eligibility criteria (primary residency in Volusia County, rental property ownership, evidence of rental availability at the time of the storm, damage by Hurricane Ian, tenant household composition and adjusted gross income) for assistance. ORR's Project Coordinators will attempt to schedule consultations with rental property owners from whom partial applications were received in order to obtain or clarify any missing eligibility documents.

2.2 Identification

To ensure compliance with the Volusia County residency and ownership requirements, the Rental Repair Reimbursement Program will confirm the identity of all rental property owner-applicants.

Any conflicting information will be reviewed by ORR Project Coordinators on a case-by-case basis. All applicants will be required to submit documentation to prove their identity. This documentation may include, but is not limited to, the following:

- Government-issued photo identification,
- Driver's license,
- Passport,
- Military ID card,
- Birth Certificate, or
- Certificate of Naturalization/Permanent Resident Card
- Social Security Card or submitted tax return with Social Security number.

2.3 Primary Residency

Applicant property owners must provide evidence that they currently reside in Volusia County. The Rental Repair Reimbursement Program will validate the applicant rental property owner's primary residency by verifying the applicant's address and "Homestead" status in the Volusia County Property Appraiser's database. Any conflicting information received or submitted will be reviewed by ORR on a case-by-case basis.

In those cases involving applicants who have not filed or have not yet been approved for Florida's property tax Homestead exemption despite having established permanent residence in Volusia County, the Rental Repair Reimbursement Program may consider additional types of documentation when evaluating permanent residency. Additional types of documentation that may be considered as proof of primary residency includes, but is not limited to, the following:

- Current driver's license or state-issued identification card showing proof of Volusia County residency issued prior to the date of the affected-storm, and expiring after the date of the affected storm;
- Federal or state income tax return with primary residency (2023 returns for applicant or co-applicant);
- Property Tax Homestead Exemptions (confirmed with county appraisal districts);
- Utility bills for the home with the named applicant (major utilities, such as electricity, gas, or water with the service address matching the street address of the home);
- Vehicle registration or renewal for the impacted year or Certificate of Title issued for the vehicle in the impacted year with the applicant's name;
- Receipt of government benefits received for at least one month between the three months before or after the qualifying storm showing applicant's name and address (Examples include: Social Security, Medicare, LIHEAP, Medicaid, WIC, and Unemployment);
- Merchant's statement addressed to the applicant and dated during the disaster time period (Examples include: merchant statements, credit card bills, delivery notices, or other first-class mail); or
- Employer's statement addressed to the applicant and dated during the disaster time period (Examples include: pay stubs and similar documents)

Applicants who have not filed for Homestead Exemption must do so in order to proceed with their application. The above pieces of evidence will only be considered in the context of the threshold eligibility review while their Homestead application is being processed and no awards will be issued until a Homestead determination has been made by the Volusia County Property Appraiser.

Primary Residency Verification Procedures:

All documentation will be reviewed to ensure the documents include the applicant's name and their address, to reasonably substantiate that they are currently a Volusia County resident.

Primary Residency Exceptions:

Exceptions to this Policy include the following:

- A property owner that is/was in the United States military and was deployed outside of the United States may still qualify for an award as long as he or she was not renting the property to another person.
- A property owner who was temporarily living in a nursing home, assisted living facility or other medical facilities.

2.4 Rental Property Ownership

All applicants must be able to demonstrate they had ownership/ownership interest in the rental property at the time of the disaster, and they are the current owner of the damaged property for which they are requesting assistance.

In all cases possible, the Rental Repair Reimbursement Program will validate applicant ownership of the property using nationally recognized third-party database services, such as FEMA/SBA/NFIP Data or Melissa Data, to expedite applicant processing. FEMA IA data that designates applicants as "Owner" will be considered verified. Any event of conflicting information received or submitted will be reviewed by the Rental Repair Reimbursement Program on a case-by-case basis.

In the event that applicant ownership cannot be confirmed through third-party data, applicants will be required to submit documentation to satisfy the ownership criteria. This documentation may include, but is not limited to, one of the following:

A. MOST COMMON PROOF OF OWNERSHIP DOCUMENTATION:

- Deed or Official Record for the rental property;
- Mortgage Payment Book or other mortgage documents;
- Real Property Insurance Policy; and/or
- Property Tax Receipts or Tax Bill documenting the applicant as the owner.

Alternative forms of ownership documentation that may be considered:

- Life Estate Deed: must show the applicant as the grantee of the property (if transferred upon the death of another - death certificate of prior owner required) and the person holding the remainder interest will be required to execute the buyout documents;
- Probated Will\Court Order\judgment granting applicant an ownership interest in the property;

- Divorce Decree - if ownership was obtained consequent to divorce the decree must specify the property was granted to the applicant;
- Contract for Sale/Deed (Rent to Own) – If the applicant purchased the property in a private owner sale via contract for deed/sale the contract must be satisfied and a warranty deed granting the property to the applicant must be recorded in the property records. The original contract and subsequent warranty deed are required; and
- Other documentation that will be reviewed and considered on a case-by-case basis.

B. OWNER OF RECORD DECEASED:

If the applicant is applying for a property where the owner on record recently died, the applicant may be eligible for assistance if they can demonstrate they have an ownership interest in the property. The applicant must submit one of the following items to prove an ownership interest in the rental property:

- A Probated Will for the deceased owner, which is legally enforceable, granting the property to the applicant in the estate administration; or
- An Heirship Affidavit that has been recorded in the property records that demonstrates the applicant is a direct heir to the property, accompanied by a copy of the deceased owner's death certificate (or a verified report from the Social Security Death Index), and the deceased owner's warranty deed or other proof to show the deceased's ownership of the property.

C. OWNERSHIP BY TRUST:

If any percentage of the damaged property was transferred to the applicant through a family trust by the prior owner of the property, a copy of the Trust document that has been recorded in the property records will satisfy the ownership requirement.

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

- Applicants who lost ownership of their rental property due to foreclosure or properties with an outstanding suit
- Properties located where federal assistance is not permitted. Properties must be in compliance with Environmental Code 24 CFR Part 58

Mortgage Obligations

The Rental Repair Reimbursement Program requires applicants to disclose circumstances that may affect their ownership of the rental property. Required Documentation:

- 3rd-party ownership information (preferred).
- Current mortgage/lien holder statement with company contact information (if applicable).

ORR will ensure the property is not in active foreclosure by verifying ownership status through 3rd party data feeds (title/ ownership verification process). In the event that clear ownership cannot be established, an applicant may supply mortgage statements showing the current status of payments for consideration.

Communication Designee

The Rental Repair Reimbursement Program understands there may be circumstances when an applicant may prefer another individual to be able to assist with obtaining information, Program

status, and being a secondary contact. Each applicant will be able to designate a third party to communicate with Rental Repair Reimbursement Program on their behalf by consenting to a communication designee on their application. A communication designee is authorized to make inquiries with Rental Repair Reimbursement Program officials regarding the status of an applicant's application. Communication designees are not authorized to sign documents or affidavits, nor make decisions on behalf of the applicant unless he or she also has Power of Attorney. Communication designees must always have the identification information necessary to prove their identity in their possession.

Power of Attorney

Applicants may have circumstances that require an appointment of an individual (agent) as Power of Attorney, which gives another person the authority to act on their behalf in either specified or all legal or financial matters. The person receiving the power of attorney (agent) is the "attorney in fact" for the person giving the power.

There are multiple types of Power of Attorney to include: General (which covers all activities); Medical (can be used only for medical decisions and is not applicable for Program use); Special (limited to specific powers only); and Durable (generally covers all activities and is not affected by subsequent disability or incapacity of the principal). A power of attorney generally is terminated when the principal dies or becomes incompetent, but the principal can revoke the power of attorney at any time.

Any applicant or their agent may submit a signed and notarized Power of Attorney (POA) which will allow the agent the right to act in the same capacity as the applicant for all actions related to the application. In the event a Power of Attorney for an applicant is received, ORR staff will do the following:

- Review the document to determine the type of power granted (durable, limited, medical, etc.) to the named agent, and that it has been signed and notarized;
- Obtain contact information for the agent with POA and a copy of valid identification for placement in the applicant file; and
- Secure or make a physical or electronic copy of the Power of Attorney to be maintained with the applicant file.

2.5 Rental Availability of Property at Time of Storm

Applicant rental property owners must demonstrate that the structure was rented or available for rent when Hurricane Ian made landfall on September 28th, 2022. Rental property owners may demonstrate that the property was rented or available for rent through the following:

- An executed lease agreement;
- An active listing indicating that the property was available for rent dated at or prior to September 28, 2022.

Other documentation that demonstrates rental unit availability at the time of Hurricane Ian may be reviewed on a case-by-case basis by the Special Case Panel (see Section 9.2).

2.6 Prioritizing Vulnerable Populations

The Rental Repair Reimbursement Program will prioritize rental property owners that served Section 8 tenants or other subsidized tenants at the time of the disaster in the unit seeking assistance and rental property owners currently serving Section 8 or other subsidized tenants.

2.7 National Objective

The Rental Repair Reimbursement Program must ensure that tenant households are low-to-moderate income with a total household adjusted gross income that does not exceed 80% of Area Median Income (AMI), adjusted for family size, in accordance with the income levels established by HUD. Eligible applicants to the Rental Repair Reimbursement Program will be required to sign a lien upon award notification in which they will commit to maintaining affordable rents in accordance with HUD HOME guidelines for a period of twenty years. Volusia County will conduct periodic monitoring of Rental Repair Reimbursement Program participants to ensure that benefitted units are rented at affordable rates for the duration of the affordability period.

In addition to maintaining affordable rents, participating property owners will be required to submit verification of tenant household income within thirty (30) days of the tenant household moving into the rental unit upon construction completion. Additionally, property owners will maintain affordable rents in accordance with the terms in Section 8.1, Long Term Compliance.

2.8 Disaster Damage

In order to receive rental repair assistance, the applicant's rental property must have sustained damage by Hurricane Ian. Disaster damage is defined as rain, wind, and/or flood damage received as a direct result of Hurricane Ian to the damaged property in September 2022 plus subsequent damage related to the original damage. Using a 2-Phase process, the Rental Repair Reimbursement Program will determine if a property received damage from the disaster.

Phase 1

Applicants will provide a reasonable confirmation of damage to their property from the disaster at the threshold eligibility verification stage. Verification of a benefit paid to the applicant for damage to their property will be attempted using third party data in an attempt to expedite the determination process. A data search for information will be conducted, but not limited to, the following items:

- FEMA (3rd party data match will suffice to prove damage, no other documentation is needed);
- SBA (3rd party data match will suffice to prove damage, no other documentation needed);
or
- NFIP (3rd party data match will suffice to prove damage, no other documentation needed).

If no match is identified through the displayed data searches, applicants may submit documentation that verifies their property received damage from the disaster. This documentation may include, but is not limited to, one of the following items:

- FEMA claim letter for housing repair demonstrating payment for structure damage;
- SBA loan documentation demonstrating payment for structure damage;
- NFIP claim payment for structural damage;

- Private insurance claim paid for structural damage;
- Litigation payment resulting from a denied insurance claim or potential payment due to pending litigation; or
- Photos submitted by the applicant, and attested to as disaster-damage, as part of the application.

The purpose of the Phase 1 damage validation is to reasonably confirm applicant eligibility in advance of the on-site damage inspection (Phase 2).

Phase 2

A Damage Assessor will perform a Damage Repair Verification complete with photos and a written report to confirm and assess repairs to the property. If disaster-related damage and repairs to the property cannot be confirmed by the Damage Repair Verification and the applicant is unable to provide documentation to reasonably confirm damage and repairs, the property will be deemed ineligible for assistance.

Reimbursement

Applicants may receive reimbursement for damage repairs financed by them in the aftermath of the storm. Repairs must have been initiated prior to applying to ORR for assistance and completed prior to the Damage Repair Verification. Repair work will be substantiated by the Damage Assessor, who will produce a Damage Repair Verification. For additional information regarding reimbursement, please see Section 5.0, Reimbursement for Pre-Application Repair Costs.

2.9 Structure Type

The Rental Repair Reimbursement Program will only provide assistance that goes towards the rehabilitation of the primary structure of a site-built (i.e., wood-frame or cinderblock constructed) structure with no more than four attached units. The Rental Repair Reimbursement Program will not provide rehabilitation assistance for manufactured housing units (MHU) unless the owner can provide proof of ownership of both the MHU and the lot. Nor will the program provide assistance to non-primary structural assets located on the property such as sheds, fences, or bulkheads.

ORR will not provide rehabilitation assistance to properties which are commercial in nature or are offices or warehouses which have portions converted to living space. If the damaged property is anything other than these structure types listed above, the applicant will be referred to the Special Case Panel (SCP) and a determination as to whether assistance can be provided will be made. For additional information regarding the SCP, see Section 9.2.

2.10 FEMA Non-Compliance

Applicants who previously received federal disaster assistance and were required to maintain flood insurance in accordance with National Flood Insurance Program (NFIP) requirements and who are found to be non-compliant with FEMA regulations or who failed to comply with the requirements of the National Flood Insurance Reform Act are not eligible for CDBG-DR assistance. An applicant is FEMA non-compliant if they failed to obtain and maintain flood insurance after receiving federal funding for a previous disaster.

NFIP compliance is verified by reviewing FEMA IA eligibility codes in the federal dataset for Hurricane Matthew, Hurricane Ian and Hurricane Nicole. Any records with ineligible code “NCOMP - non-compliant with Flood Insurance Requirement” or “NPND - NFIRA - Non-Compliance” are FEMA non-compliant applicants and therefore ineligible for program assistance.

The entire FEMA IA dataset for 2016’s Hurricane Matthew, and 2022’s Hurricane Ian and Nicole will be reviewed for the applicable eligibility code to identify non-compliant households. The FEMA registrant numbers for the non-compliant households are cross-checked against the FEMA registrant numbers for the CDBG-DR applicant universe to ensure that no ineligible applicants are served.

2.11 Non-responsive Applicants and Inactive Cases

There are a variety of other reasons why an applicant may not receive service. These include, but are not limited to, incomplete documentation, unpaid taxes, unclear title, or an inability to contribute DOB Gap funding. Applicants that fail to correct the following issues within the timeframe allowed, will have their case moved to inactive status. All applicants that have inactive cases due to the reasons below, will be notified in writing that their case will be closed if the issue is not resolved within 30 days. Applicants whose cases have been closed for one of the reasons below will have an opportunity to appeal in accordance with the appeal procedures in Section 9.3, Appeals.

Issue	Moved to an inactive status after (business days):	Inactive cases closed if not resolved within (calendar days):
Failure to submit required eligibility documents	15 days	30 days
Unpaid taxes	30 days	30 days
Title or heirship issues that prevent construction permitting	15 days	30 days
Duplication of benefits requiring applicant funds	30 days	30 days
Unpaid utility bills that prevent construction monitoring	30 days	30 days
Outstanding code enforcement fee and/or penalty	30 days	30 days
Any other applicant issue that prevents construction	45 days	30 days

Please note that the time limits stated above do not apply to any case in which construction has begun. Such cases must be brought to Special Case Panel (SCP) for adjudication. Any applicant that receives the written notification that their case will be closed may appeal that decision or provide the necessary documentation, within the allotted 30-day time period. Once the 30-day time frame has expired and the case has subsequently closed, the applicant may not submit an appeal.

2.12 Denials

Any application that is denied by a Project Coordinator during the intake and eligibility review phase, whether due to lack of eligibility or non-responsiveness, must be reviewed by the Disaster

Case Management Lead. Prior to notifying the applicant that their request for assistance has been denied, the Case Management Lead will present the Director of the Office of Recovery and Resiliency with a list of applications that have been denied and the reason for denial for final review. Once the Director of the Office of Recovery and Resiliency has approved the applications for denial, the Project Coordinators will contact the applicant via phone and notify them of the denial. The Project Coordinators will then email the applicant a denial notification that states the reason for the denial and informs them of any appeal measures they may take.

3.0 Damage Repair Verification

This section is designed to give an overview of the Damage Repair Verification process and to provide the Damage Assessor (DA) with an inspection protocol for the Damage Repair Verification, which will be used for reimbursement of rehabilitation work completed prior to application.

3.1 Process Overview:

The process that ORR and the Damage Assessors will follow to complete the DRV is as follows:

- Applicants will sign a Right of Entry form during the application/intake process.
- A staff member from the Office of Recovery and Resiliency (ORR) will call the applicant to schedule the site visit with the Damage Assessor and a member of ORR with a minimum of a three day/72-hour notice. ORR will schedule and track the Damage Repair Verification in the System of Record (SOR).
- The purpose of the site visit is to gather required documentation for the environmental assessment, verify storm damage, verify completed repair work, and produce a Damage Repair Verification (DRV) that quantifies the work that has been completed by the applicant prior to the Damage Repair Verification.
- The DA will use Xactimate estimating software to produce the DRV.
- Each Damage Assessor's Xactimate software will be uploaded with the approved universal price list including sales taxes and overhead and profit to ensure that consistent and correct pricing is used throughout the project.
- After a complete exterior and interior room-by-room assessment of the dwelling has been completed, the DA will record the quantities of eligible and damaged items throughout the structure and will produce a DRV that determines which rehabilitation work that has been completed is eligible for reimbursement in accordance with program policy.
- The DA will review documents for overall accuracy prior to submission to ORR, ORR's APM for Construction or their designee will review for completeness.
- ORR will conduct a Duplication of Benefits Analysis to determine the award amount.

3.2 Damage Repair Verification Procedures:

- a. INSPECTORS ARE NOT TO PLACE THEMSELVES IN HARMS WAY DUE TO UNSAFE CONDITIONS OR HAZARD (refer to the example of Hazardous Conditions sub-section below). If unsafe or hazardous conditions exist, the inspector is to document the condition via photographs taken from a safe area, and in the coversheet narrative section summarize the unsafe existing conditions. Do not continue with the inspection. Document as much of the premises as possible with photographs and inform ORR's APM for Construction or the IC of the unsafe conditions. A determination of how to proceed will be made either ORR or the IC.
- b. Upon receipt of a work order for inspection, the Damage Assessor (DA) is to familiarize themselves with the route(s) required to allow for adequate travel time to arrive at the applicant's dwelling in a timely fashion.

- c. ORR staff will confirm the time of the site visit with the property owner and accompany the Damage Assessor during the visit.
- d. The DA and at least one member of ORR's staff will arrive at the applicant's property at the scheduled time and date, present his/her photo ID badge, explain the purpose of the visit, and provide a brief overview of the assessment process.
- e. The DA will complete the environmental questionnaire and document the description of the structure inclusive of the roofing type, exterior building envelope type, floor plan and square footage, electrical system size, electrical breaker type, electrical wiring type, plumbing system type, domestic water distribution piping type, water utility type (public service or well), gas utility type (public service or tank), sewer service (municipal service, septic tank or wastewater treatment plant), and Heating/HVAC system.
- f. If the sewer service is determined to be a septic system, then the Damage Assessor must assess the existing system and determine if it needs to be replaced and provide a written report.
- g. The DA will observe each space within the rental unit to identify work completed to produce a Damage Repair Verification (DRV).
- h. Photographs will be taken in each space of the dwelling and of its exterior to adequately document the existing condition of each scope item that is determined. The importance of good quality photographs in the Damage Repair Verification cannot be overstated. These photographs provide important historical context for the project and a tool to produce a good initial DRV. The following list is a basic list of features/areas to photograph. The list is not meant to be all-inclusive. Photograph all listed items/areas, but do not limit photographs to those listed. Damage Repair Verifications are our first look at a property and more photographs provide a more complete assessment of the rental unit's condition. More is always better, and when in doubt, photograph. The Damage Repair Verification photos requirements are:
 - i. **Elevations:** Photograph all elevations at a distance great enough to view entire elevation (front, rear, left, and right). Note that multiple photos may be required if the elevation is extremely wide or has unusual features such as alcoves, garages, etc.
 - ii. **Home siding:** Photograph general condition of and all damages to brick, block, vinyl, aluminum, wood, composite, stucco, etc. to include holes, peeling/chipping paint, termite damage, rot, etc.
 - iii. **Foundation (exterior):** Photograph any visible skirting, brick, block, stone, or other material used to enclose the crawlspace.
 - iv. **Roof:** Photograph all areas of the roof at a distance and photograph any damaged areas close up. Also, provide a photograph of the pitch reading(s). Pay special attention to (and photograph) the junction of chimney and roof, any valleys, hips, or other unusual roof features. Photograph all fascia and soffits.

- v. **Attic:** Photograph all areas of the attic to include corners, insulation (or lack thereof), areas hidden behind chimneys, rafters, ventilation, plumbing exhausts, air handlers (if applicable), ductwork, water damage, fire damage, sheathing (if visible), etc. The only exception to providing extensive photos of the attic is if the attic is not accessible (no access door). The inability to photograph the attic must be adequately explained in the Damage Repair Verification narrative.
- vi. **Additional Exterior:** Photograph any gas meters, rain gutters, downspouts, missing drip edge, faucets, chimneys, doors, windows, stairs, steps, porches, railings, balconies, driveways, walkways, encroaching trees or bushes, apparent drainage issues, well pumps, wellheads, expansion tanks, standing water, fences, sheds, other structures, or other features which might affect the home not separately listed here.
- vii. **Crawlspace (including basements):** Photograph all areas of the crawlspace (not just from the door/access) to include the corners, insulation (or lack thereof), ductwork, visible sill plates, joists, rim joists, piers, condition of foundation walls, subflooring (if insulation is missing in any area), standing water, evident termite damage (active or inactive), any HVAC equipment, water heaters (traditional or continuous), drain lines, water supply lines, electrical wiring, or other features not covered here. The inability to photograph the crawlspace must be adequately explained in the Damage Repair Verification narrative.
- viii. **Electrical:** Photograph the electrical panel(s), meter, light switches, electrical outlets (notate distance from water source as needed), and any exposed wiring (crawlspace, attic, open walls, etc.).
- ix. **Garage:** General interior photos are needed. Additionally, photograph any damages to the ceiling or shared wall with living space wherein a rodent might gain access to the living space, crawlspace, or attic.
- x. **Plumbing:** Photograph all fixtures (toilets, faucets, ice maker lines, water heaters, tubs, showers, vanities, hot and cold supply lines, drain lines (beneath sinks), dishwasher lines, garbage disposal lines, etc.
- xi. **HVAC:** Photograph all heating, ventilation, and air conditioning equipment to include package units, split systems, gas packs, electric heaters, window units, baseboard heaters, heat pumps, condenser units, air handlers, mini-split units, and any type not covered here. Photograph serial number plates to determine age of equipment.
 - 1. Inspectors must obtain a visual verification of conditions inside the ductwork in order to confirm whether microbial growth may exist.
 - 2. Visual verification should be based on directly observable indicators of microbial growth, and, if applicable, verbal confirmation from the applicant property owner.
- xii. **Appliances:** Photograph all appliances to show condition or any damages prior to construction.

- xiii. **Interior:** Photograph all rooms to include an overview, all walls, flooring, ceilings, visible water stains or separating drywall joint tape, ceiling/wall junctions, corners, wall/floor junctions, visible holes (walls, ceilings, floors), flooring trip hazards or soft flooring, windows, doors, cabinets (including photos under sinks), vanities, closets, ceiling or wall light fixtures, ceiling fans, thermostats, fireplaces, stove exhaust fans/hoods, bathroom exhaust fans, smoke or carbon monoxide detectors, or any other feature not listed here.
 - xiv. **General:** Any feature or area not covered above.
 - i. Reference photos from the street are also required,
 - j. Exterior photos with address verification (house number on porch or mailbox) are also required,
 - k. The DA will measure and provide a sketch of the entire structure including each room or space in the house.
 - l. The on-site Damage Repair Verification will be complete once all damages are observed, measured, and quantified.
 - m. Once the on-site Damage Repair Verification is complete, the DA will upload the DRV into the SOR and the case will proceed to Duplication of Benefits (DOB) Analysis.
- 2. Environmental:
 - a. The Damage Repair Verification will also include a questionnaire of environmental site conditions.
- 3. Unsafe Entry:
 - a. If unforeseen circumstances arise and a dwelling is deemed unsafe for entry by verbal advice of the applicant or by visual confirmation of the DA, photos of the exterior will be taken only and the Damage Repair Verification will be rescheduled. A short narrative describing the unsafe conditions should be included in the narrative of the DRV.

3.3 Hazardous Conditions Sub-Section:

Inspectors are to be cognizant of any hazardous conditions observed and should take precaution during the inspection so as not endanger themselves or anyone else on the premises. Examples of hazardous conditions include, but are not limited to:

- Low headroom ceiling, damaged or failing framing
- Fallen trees on the structure
- Subflooring removed or open floor joists
- Presence of extreme suspected mold or toxic substances
- Debris
- Electrical hazards
- Severely damaged or undermined foundation
- Aggressive pets
- Crumbling foundation

- Dead/live animals, vermin and/or insect infestation (termites, carpenter ants, carpenter bees)
- Aggressive neighbors
- Visibly observed weapons
- Condemned signs affixed
- Contaminated soil
- Poison ivy or other toxic plants impeding assessment
- Suspected asbestos (chipping, friable or converts to dust), heating pipes, siding (clapboards, shakes), floor tiles (usually 9 x 9), some sheet flooring (may be able to tell from the backing), fireplace flues, duct work, ceiling and wall tiles.

4.0 Duplication of Benefits

Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C.5155) prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster for which he or she has received financial assistance under any other Program or from insurance or any other source. CDBG-DR funds issued through Volusia County may not be used for any costs when other disaster recovery assistance was previously provided by another source for the same purpose.

The Stafford Act directs administrators of Federal assistance to ensure that no person, business, or other entity will receive duplicative assistance and imposes liability to the extent that such assistance duplicates benefits available to the person for the same purpose from another source. The amount of duplication is the amount of assistance provided in excess of need. (Federal Register/Vol.76, No. 221/Wednesday, November 16, 2011). The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) requires that recipients of federal disaster recovery funding make certain that no "person, business concern or other entity" will receive duplicative assistance. A Duplication of Benefits (DOB) occurs when:

- A beneficiary receives assistance;
- It comes from multiple sources (examples: private insurance, FEMA, NFIP, non-profits, etc.); and
- The total assistance amount exceeds the need for a particular recovery purpose

In accordance with the Stafford Act, the Rental Repair Reimbursement Program will use the following framework to assure that any funds provided by ORR are not a DOB:

1. Identify the total need for assistance prior to any assistance being provided;
2. Identify all potentially duplicative assistance received or to be received;
3. Deduct assistance determined to be duplicative;
4. Determine the maximum eligible award;
5. Determine the Program Cap (if applicable); and
6. Determine a Final Program Award.

Basic Framework for Calculating Disaster Recovery Awards

*Amounts in calculation table below are for **example** purposes only and do not reflect actual award amounts.*

1. Identify Applicant's Total Need Prior to providing assistance	\$80,000
2. Identify all potentially duplicative assistance	\$35,000
3. Deduct assistance determined to be duplicative	\$30,000
4. Determine the maximum eligible award (item 1 less item 3)	\$50,000
5. Determine the Program Cap (if applicable), and	\$50,000
6. Determine final program award (less of items 4 and 5)	\$50,000

Eligible applicants may have received assistance from other sources. Under the requirements of "The Robert T. Stafford Disaster Assistance and Emergency Relief Act" (42 U.S.C. 5121, et seq.), as interpreted and applied by HUD, the Rental Repair Reimbursement Program must take into account certain aid received by applicants in determining the amount of assistance which can be

granted. The following are sources of funding assistance provided for structural damage and loss that may be considered a DOB and under federal law must be deducted from the assistance provided:

- FEMA Individual Assistance for Structure (IA);
- FEMA National Flood Insurance Program (NFIP) and/or Increased Cost of Compliance (ICC);
- Private Insurance;
- Small Business Administration (SBA);
- Charity; and/or
- Any other funding source that may duplicate assistance.

Recapture Duplication of Benefits

If a duplication of benefits is identified after an award is issued, ORR will attempt to recapture funds to the extent they are in excess of the need and duplicate other assistance received by the beneficiary for the same purpose. For additional information, please see Section 9.5, “Violations of Requirements and Recapture.”

Sources of Duplication of Benefits

The following are sources of funding assistance provided for damage and loss that may be considered a DOB. Under federal law DOB must be deducted from the assistance amount (the amount that will be offered for assistance to the home): FEMA Individual Assistance (IA), FEMA National Flood Insurance Program (NFIP), Private Insurance, Small Business Administration (SBA) and other sources. Assistance received in the form of services instead of money, for home repairs from any source is not considered a duplication of benefits. Any additional duplication of benefits received by the applicant after the offer of assistance has been extended, the funding for the assistance to the home has been awarded or the assistance has occurred, must be applied to reduce the award amount. Funds received from any source including flood insurance, FEMA, and hazard insurance that were used to cover repair to the applicant’s home do not reduce the amount of disaster assistance if the evidence of expenditures at least equals the amount of assistance. Documentation must be provided demonstrating the cost and type of repair conducted. The Rental Repair Reimbursement Program will conduct a work write-up that will inspect, confirm, and estimate value of repairs based upon the applicant’s statement of repair work already completed.

Subrogation of Funds

All applicants will be required to sign a Subrogation Agreement as a part of participating in the Rental Repair Reimbursement Program. Applicants must subrogate any additional funds received for damage caused by the disaster back to Volusia County. **CDBG-DR funding must be funding of last resort**, and if additional funds are paid to an applicant for the same purpose as the housing assistance they receive through CDBG-DR funding after Volusia County has reimbursed the applicant for repairs made to the rental structure, those funds must be returned to the Volusia County Office of Recovery and Resiliency.

If it can be established that an applicant has an additional need, the subsequent funds would not be considered a DOB (76 FR 221, 71062). However, if an additional need is not demonstrated, disaster recovery funds must be recaptured to the extent they are in excess of the need and duplicate other assistance received by the applicant for the same purpose. If CDBG-DR funds

were provided last and unknowingly create duplication, the method of recapturing those CDBG-DR funds will be consistent with HUD 2 CFR 200.

FEMA Individual Assistance (FEMA IA)

FEMA IA will be determined and verified by ORR through the FEMA database. If ORR is unable to verify the FEMA IA amount through the FEMA database, then they will use the payment amount provided by the applicant at the time of application. If an applicant is able to provide documentation demonstrating that the FEMA IA amount provided by the FEMA database includes amounts not paid to cover damage to the primary structure, ORR will use the documentation provided by the applicant to adjust the FEMA IA payout amount. The documentation provided by the applicant must come from FEMA.

As property owners in Volusia County who were impacted by Hurricane Ian (disaster declaration 4673) may have also experienced damage caused by Hurricane Nicole (disaster declaration 4680), the Office of Recovery and Resiliency will also review FEMA IA data pertaining to Hurricane Nicole during its DOB review.

FEMA National Flood Insurance Program (NFIP)

ORR will check all applicants for NFIP to verify whether they maintained flood insurance. Any payments for loss to the dwellings under NFIP insurance policies are deducted from the amount the applicant is eligible to receive. Payments for contents or other expenses are not deducted from the applicant's award.

The payment to applicants under NFIP policies will be determined and verified by ORR through the FEMA database and cross-referenced with other applicable data. If ORR is unable to verify the NFIP insurance proceeds through the NFIP database, ORR will use documentation supplied by the applicant. If an applicant is able to provide documentation demonstrating that the insurance proceeds amount provided by the FEMA database includes items not covered in the home evaluation or not paid to cover damages to the primary structure, ORR will use the documentation provided by the applicant to adjust the insurance payout. The documentation provided by the applicant must come from the insurance company which issued the payments.

As property owners in Volusia County who were impacted by Hurricane Ian (disaster declaration 4673) may have also experienced damage caused by Hurricane Nicole (disaster declaration 4680), the Office of Recovery and Resiliency will also review NFIP data pertaining to Hurricane Nicole during its DOB review.

Increased Cost of Compliance (ICC)

The Rental Repair Reimbursement Program will determine the duplication of benefits regarding Increased Cost of Compliance (ICC) funds for elevation and/or demolition activities.

If severe property damage occurs as a result of flooding, before repair or rebuild activities can occur, it may be required by law that the damaged property meet community ordinances and/or state floodplain management standards. ICC coverage provides funding to help cover the costs of meeting those requirements with the intent aimed at reducing future flood damage. ICC coverage is separate from and in addition to insurance coverage that provides for structural or personal flood damage repairs.

Private Insurance and Wind Insurance

All private insurance settlement amounts for loss to dwellings are considered a DOB and may reduce the amount of assistance for which an applicant may be eligible. Private insurance

payments for anything other than the damaged structure (contents, fences, storage sheds, etc.) are not deducted from the applicant's award. Applicants must submit the following:

- Validated external data-source information;
- Insurance Policy Declarations page; and
- Insurance award or claims letter (if applicable) and insurance/benefit certification.

Insurance proceeds are determined and verified by the Rental Repair Reimbursement Program by contacting the insurance company and verifying proceeds if confirmed data is unavailable from a third-party data source. If ORR is unable to obtain a response from the insurance company within two weeks, it will use the amount provided by the applicant on the insurance/benefit certification.

The Small Business Administration (SBA)

SBA loan proceeds available to the applicant are DOB. Any proceeds available for repair to the dwellings less any verifiable expenditures used for temporary repairs to the dwelling under Small Business Administration Disaster Assistance are deducted from the amount the applicant is eligible to receive. Payments for contents or other expenses are not deducted from the applicant's award. The following documentation must be reviewed:

- SBA 3rd-party data set; and
- SBA award letter (if applicable).

SBA awards will be determined and verified by the Rental Repair Reimbursement Program through the SBA database. See the SBA Hardship section for details on benefit calculation. If it is not possible to verify the SBA qualifying loan amount through the SBA database, the Rental Repair Reimbursement Program will use the qualified loan amount provided by the applicant at the time of application. If an applicant is able to provide documentation demonstrating the amount provided the SBA database includes amounts not loaned to cover structural loss, ORR will use the documentation provided by the applicant to adjust the SBA loan amount. The documentation provided by the applicant must come from SBA.

If the applicant was offered an SBA award and declined that award, the amount of a subsidized loan that is cancelled or declined is not a DOB. To exclude declined or cancelled loan amounts from the DOB calculation, the grantee must document that all or a portion of the subsidized loan is cancelled or declined unless the loan qualifies under the exclusion discussed below:

- A grantee is only required to document declined loans if information available to the grantee (e.g., the data the grantee receives from FEMA, SBA, or other sources) indicated that the applicant received an offer for subsidized loan assistance, and the grantee is unable to determine from that available information that the applicant declined the loan. If the grantee is aware that the applicant received an offer of loan assistance and cannot ascertain from available data that the applicant declined the loan, the grantee must obtain a written certification from the applicant that the applicant did not accept the subsidized loan by signing loan documents and did not receive the loan; or
- Cancelled loans are loans (or portions) that were initially accepted, but for a variety of reasons, all or a portion of the loan amount was not disbursed and is no longer available to the applicant.

As property owners in Volusia County who were impacted by Hurricane Ian (disaster declaration 4673) may have also experienced damage caused by Hurricane Nicole (disaster declaration

4680), the Office of Recovery and Resiliency will also review SBA data pertaining to Hurricane Nicole during its DOB review.

Charity

The Rental Repair Reimbursement Program will contact the charity agency and verify the value of any assistance provided for damage to the primary structure. If an applicant is able to provide documentation demonstrating the amount provided by the nonprofit agency, the Rental Repair Reimbursement Program will use the amount provided by the applicant.

Adjustments and Offset to the Amount of Assistance

Any portion of DOB funds that has been determined to have been spent by the applicant on allowable activities, as listed below, will reduce the amount considered to be a DOB. When an applicant is eligible for the Rental Repair Reimbursement Program, potentially duplicative assistance is reduced by the percentage of the assistance that was spent on an allowable activity. This percentage method is used in lieu of allocating the total of allowable activities to only one of the Rental Repair Reimbursement Program's awards. The applicant will be responsible for accurately reporting the specific amounts spent on the allowable activities. Such activities include:

- Contractor Fraud;
- Forced Mortgage Payoffs;
- Legal Fees; and
- Temporary Living Expenses.

These activities are considered allowable as they do not directly conflict with the services being provided by the Rental Repair Reimbursement Program. Applicants will be able to deduct from their DOB insurance, SBA, and FEMA amounts spent to repair their property due to damage by the applicable disaster.

Contractor Fraud

If an applicant was a victim of contractor fraud, the amount paid to the contractor will not be counted as a DOB. The following documentation is required to allow the Rental Repair Reimbursement Program to determine if any amount paid to a Contractor can be excluded in the DOB calculation:

- Police report or complaint dated before the date of the application;
- Proof of canceled check (if applicable);
- Bank statement reflecting payment (if applicable); and
- Contract between applicant and contractor, if applicable.

Contractor fraud will be verified through a review of the police report and complaint. If no amount is included in the complaint, the applicant will complete an affidavit to accompany the complaint that lists an amount to reduce the DOB total. In scenarios where a police report, complaint, or contract, are not available, the information provided by the applicant will be reviewed on a case-by-case basis.

Forced Mortgage Payoff

In the event an applicant's mortgage requires any insurance proceeds to be applied to reduce the lien balance, the mortgage holder (not the property owner) is considered to have legal control

over those funds making the property owner legally obligated to use insurance proceeds for that purpose.

Under these circumstances, the amount of the insurance proceeds required by the mortgage company to be applied to the mortgage balance will be excluded from the DOB calculation.

To be considered for exclusion, the applicant must provide a copy of the correspondence or letter from the mortgage company on company letterhead and signed by an authorized representative stating the applicant was required to use the disaster assistance funds for this purpose. This will demonstrate they were required to apply the insurance proceeds to their mortgage balance.

The Rental Repair Reimbursement Program will verify the correspondence/letter is on mortgage company letterhead, includes the damage address, and lists the amount forced to pay off the principal. The amount of involuntary payoff will reduce the amount of DOB.

Legal Fees

Legal fees/expenses incurred by the applicant due to litigation related to an Insurance policy claim for the named disaster will be excluded from the DOB calculation. To be considered for exclusion, an applicant must submit the following documentation:

- Evidence of payment to a legal firm (Attorney Fee and Expense statement); and/or
- Settlement agreement (if applicable).

The Rental Repair Reimbursement Program will review the submitted documentation and verify if the amount paid to the Attorney can be excluded and reduce the DOB.

Duplication of Benefits Gap Funding

The difference between eligible financial assistance received and documented work completed is the duplication of benefits gap (DOB Gap). The applicant will be required to provide the DOB gap funds in order to be eligible for assistance. After the applicant has been approved for assistance, he/she will be notified of any existing DOB gap amount. The Rental Repair Reimbursement Program will attempt phone contact with applicants to explain the DOB gap. The DOB gap funding calculation will be available in the System of Record. Upon request, applicants will be provided with their specific DOB gap funding calculation. If the applicant is participating in the buyout program, the DOB amount will simply be deducted from the final award amount.

Any eligible applicant for whom a DOB Gap fund has been determined must provide a cashier's check or money order during the Contract Signing Event. Applicants who fail to provide their DOB Gap contribution within the 30-day time period will be at risk of not being served by the Rental Repair Reimbursement Program.

5.0 Reimbursement for Pre-Application Repair Costs

The Rental Repair Reimbursement Program will allow for reimbursement of housing repair costs up to \$50,000 per eligible structure incurred by property owners. Reimbursement awards are based on a Damage Repair Verification (DRV), provided by the Damage Assessor (DA) using Xactimate pricing software. ORR recognizes that certain costs, such as those associated with elevation, do not have a comparable value in Xactimate. In such cases, the Special Case Panel (SCP) will convene and make a cost eligibility determination.

5.1 Reimbursement Eligibility

In addition to meeting the standard eligibility requirements of the Rental Repair Reimbursement Program, applicants must:

- Demonstrate, through documentation such as invoices, and certify, under penalty of perjury, that the repairs were initiated prior to the application date;
- Certify, under penalty of perjury, that permanent repairs on the damaged residence were stopped prior to the Damage Repair Verification;
- Clear all environmental reviews and pass all site inspection requirements;

5.2 Allowable Expenses

Reimbursement is limited only to those repairs made to the primary residential structure and determined to be eligible by the Rental Repair Reimbursement Program, as captured in the Damage Repair Verification's Damage Repair Verification Report (DRV), minus any Duplication of Benefits (DOB) received. Eligible repairs will be based on Xactimate pricing software as assessed by the Damage Assessor (DA). The eligible reimbursement amount may be less than the actual price paid by the applicant (for example, if an applicant replaced a countertop with granite, the DRV will price to builder-grade materials such as linoleum, in accordance with the program's Housing Quality Standards and the pricing set by Xactimate). **Although necessary to show that work was done, invoices and receipts will not be used to determine the final award for reimbursement costs.**

The Rental Repair Reimbursement Program recognizes that there may be circumstances when the applicant disputes the scope of the DRV and may file an appeal. If an applicant files an appeal they may submit supporting documentation such as receipts, contracts, or photos for consideration in the appeal. The receipts will be reviewed to verify if the Scope of Work (SOW) determined by Xactimate in the DRV is accurate. However, the Xactimate pricing and standard grade materials may not be appealed unless there are extenuating circumstances (such as the property being on the National Register of Historic Places). All reimbursable repairs must have been necessary and reasonable for the rehabilitation of the property.

Based upon the damages to the applicant's property, the following rehabilitation or repair items may qualify for reimbursement:

- Plumbing, electrical systems, heating, ventilating, and air conditioning systems;
- Fuel systems for cooking, septic systems, water wells;
- Windows, doors, roofs, interior floors;
- ENERGY STAR compliant stoves and refrigerators;

- Repairs to allow access to the structure;
- Elimination of health and safety hazards;
- Structural components of the damaged property;
- Tool and equipment rental;
- Any allowance eligible for a repair and any allowance set forth below.

This list is not meant to be exhaustive, but illustrative of eligible items that may be necessary and reasonable to return the damaged property to a decent, safe, and sanitary condition.

Ineligible Reimbursement Expenses

The following types of repairs and expenses are not eligible for reimbursement. This is not an all-inclusive list.

- Permanent repairs made after the date of the Damage Repair Verification.
- Personal property (e.g., furniture, vehicles, food, clothing, etc.).
- Repairs made to non-residential structures that are not attached to the damaged property (e.g., pools, sheds, detached garages, carports, etc.).
- Playground equipment, satellite dishes and security systems.

The Rental Repair Reimbursement Program will not reimburse applicants who repair their property after a Damage Repair Verification has been conducted and a Damage Repair Verification has been completed. In these cases, the applicant may still be eligible for rehabilitation assistance, however, the repairs completed by the applicant may reduce the Duplication of Benefits (DOB) amount that the applicant is expected to contribute (see Section 4.0, Duplication of Benefits).

5.3 Reimbursement Options

Applicants who have completed all rehabilitation, including elevation, if required, are eligible for reimbursement upon confirmation by the Rental Repair Reimbursement Program that the work has been completed and the costs for repairs are reasonable and that damaged property is in a decent, safe, and sanitary condition. Completion of work includes all environmental testing and remediation as required by HUD, if necessary. The applicant will be required to execute a reimbursement grant agreement prior to receiving any reimbursement funding.

5.4 Damage Repair Verification (DRV)

As a result of the initial damage inspection, the Damage Assessor (DA) will produce the Damage Repair Verification (DRV), which estimates the amount of repairs previously completed to the rental property. Damage Repair Verifications are conducted in accordance with the Rental Repair Reimbursement Program's procedures for Damage Repair Verifications as specified in Section 3.2. The DRV is to be included in the Damage Assessor's report on the property and should contain a line-item-by-line-item estimate of the repairs completed. The calculation quantifies materials and labor necessary for completed repairs. The DRV is based upon standard grade materials priced in accordance with Xactimate software, which collects costs for materials, labor, and equipment in the area in order to arrive at an accurate estimate of repairs.

5.5 Damage Repair Verification Requirements

General DRV requirements are as follows:

- Improvements must be physically attached to the property and permanent in nature to be considered for inclusion in the Damage Repair Verification.

Eligible repair items that may be included in the DRV include, but are not limited to:

- Exterior work includes roofing, foundations, paint or siding, non-public sidewalks, site grading (to control flooding), utility connections (from property line to the adjacent street), elevation of mechanical and electric systems, septic systems, well water systems, doors, locks, skirting, leveling, and bracing.
- Interior work includes electrical repairs or rewiring, plumbing, replacement of flooring where it poses a hazard, doors, locks, painting, abatement of lead-based paint and/or asbestos, replacement of inoperable built-in appliances and the installation of damage vents in basements and crawl spaces.
- Incorporation of Green and Resilient Building Requirements (GRBS) to include weatherization, and other energy conservation measures such as insulation, caulking, weather stripping, ENERGY STAR appliances, and repair and replacement of windows, doors, and heating systems.

In the event that the Damage Assessor finds that the repairs completed by the property owner did not restore the rental unit to a decent, safe, and sanitary condition, the Damage Assessor will include any work necessary to bring the unit into a decent, safe, and sanitary condition in the Estimated Cost of Repair and no reimbursement will be issued until the property owner agrees to complete the necessary rehabilitation work

Ineligible DRV items:

In general, the following items will not be included in either the DRV:

- Repair or replacement of detached structures such as carports, sheds, garages, swimming pools, decks, or fences (detached garage repairs or demolition will only be included when required by local codes).
- Any repairs in excess of standard-grade materials. Repairs using materials greater than standard-grade are calculated at the cost of the standard-grade materials.
- Public sidewalks, driveways, roads, and streets (unless necessary for maintaining public access, health, or safety and in compliance with local building code requirements).

6.0 Award Determination

Upon completion of the Damage Repair Verification (DRV) and Duplication of Benefits (DOB) analysis, ORR will notify the applicant of their eligibility for reimbursement assistance. The assistance limits are:

- Up to \$50,000 for reimbursement of qualified pre-application repairs per unit.

Procedures:

- The Damage Assessor (DA) will complete the Environmental Questionnaire and produce a DRV of the damaged property in accordance with Section 3, Damage Repair Verification, and upload into the SOR.
- ORR will conduct a DOB analysis in accordance with Section 4, Duplication of Benefits, and upload into the SOR.

6.1. Rehabilitation Price Methodology

Reimbursement for pre-application repair costs will be priced using Xactimate's Pricing Data Service and Xactimate Cost Estimating Software. The fixed pricelist that forms the basis of all reimbursement work is the "Ian Rehab Pricelist."

ORR will review the cost reasonableness of Xactimate's pricing on a semiannual basis (once every six months). If ORR determines that a price increase must occur based on an actual percent increase of construction costs, ORR's APM for Construction will prepare a Pricing Increase Decision Memorandum in conjunction with Volusia County's Purchasing and Contracts Division and deliver it to the Implementation Contractor. If ORR chooses to implement a price increase, it will be added to the initial work order and any subsequent change orders, if applicable.

6.2 Properties Located in the Floodplain

Per Section II.B.2.c of the Consolidated Notice in 88 FR 32046, any residential structure located in the 100-year floodplain that is substantially damaged (meaning the value of damages exceeds 50% of the pre-storm market value of the structure) or improved (meaning cost of repairs exceeds 50% of the present cost to reconstruct), must be elevated to at least two feet above Base Flood Elevation (BFE). **The Rental Repair Reimbursement Program is not offering reconstruction or elevation of rental properties.** As such, the Rental Repair Reimbursement Program will only reimburse work completed on a structure that is located in the 100-year floodplain if the Damage Repair Verification (DRV) indicates that damages to the rental property are less than 50% of present value of the structure (substantial improvement).

ORR will determine whether the DRV amounts to 50% of value of the property. The DA must confirm that the structure is in the floodplain prior to the Damage Repair Verification and creation of the DRV. All Damage Repair Verifications on rental properties in the floodplain must be coordinated with ORR staff to ensure that the structure's location in the floodplain is accurately determined.

Calculation of Substantially Damaged and Substantially Improved (for projects located in the 100-year floodplain):

The Volusia County Office of Recovery and Resiliency will partner with the Volusia County Property Appraiser's Office to obtain September 2022 market value data for the primary structure

of each applicant rental property for purposes of assessing whether the structure was substantially damaged during the feasibility analysis. The Volusia County Property Appraiser will provide the 2022 replacement cost value of the property (“RCN_2022_15PCT”), which is the estimated cost of replacing the structure in September of 2022, prior to Hurricane Ian making landfall (inclusive of an appreciation factor to compensate for the 15% discount that the Volusia County Property Appraiser applies in consideration of various transactional costs). All market value figures received from the Volusia County Property Appraiser’s office will be stored in the applicant’s case file within the System of Record.

6.2.1 Flood Insurance Requirements

Residential structures in the floodplain that receive federal assistance are required to maintain flood insurance, therefore ORR must communicate to the applicant property owner the anticipated cost of flood insurance for non-elevated structures. This communication must occur prior to the scheduling of the Contract Signing Event. The communication of the flood insurance requirements will be documented in the System of Record.

In addition to obtaining and maintaining flood insurance, property owners who receive disaster assistance must notify any transferee who takes ownership of the property of the requirement to obtain and maintain flood insurance. Property owners who fail to notify successive owners of the property may be liable for future disaster assistance in the event that the successive owner failed to obtain and maintain flood insurance prior to receiving federal disaster assistance.

6.3 Commitment Letter

Once the rental property owner has indicated that they wish to proceed with the proposed reimbursement plan and has confirmed whether they can contribute their DOB Gap (if applicable), ORR will send the applicant a Commitment Letter. A Project Coordinator will then schedule the Contract Signing Event no sooner than 72 hours after sending the Commitment Letter.

6.4 Contract Signing Event

Once the applicant has confirmed that they wish to proceed with the proposed reimbursement plan, ORR will schedule a Contract Signing Event with the property owner (or their Power of Attorney designee). During the Contract Signing Event, the property owner applicant will sign the lien and the closing disclosure form.

Procedure:

- A meeting will be held between each applicant and an ORR staff member to ensure they fully understand how the reimbursement amount was calculated, the lien, and any other required Contract Signing Event documents.
- Applicants will be given the opportunity to sign their lien and closing disclosure forms electronically.
- Executed liens and closing disclosure forms will be housed in the System of Record.
- Applicants will be provided copies of all signed documents via email or printed copy when necessary.

Special Needs:

Applicants who are illiterate or otherwise unable to sign their name may sign with an “X” if there is:

- a. Third-party witness at the signing;
- b. Photo identification of the applicant in the file; and
- c. A proper notarized notation on all documents the applicant signs that address special circumstances.

Accommodations will be made when it is determined that an applicant is out-of-state and unable to attend their signing event appointment or homebound due to disability or illness. Signing Event documents will be available to be signed digitally and paper documentation may be available on a case-by-case basis. The needs of all applicants will be taken into consideration in an effort to provide a high level of customer service.

Courtesy Rescission Period:

The Rental Repair Reimbursement Program will grant all applicants a courtesy 3-day Right of Rescission, which they may choose to waive. Prior to disbursement of DOB Gap Funds, recording and/or filing appropriate documents, ORR’s signing event agent will confirm the rescission period has expired; and in the event an applicant rescinds the transaction, the signing event agent will notify their supervisor immediately and the Rental Repair Reimbursement Program will return DOB Gap Funds, if applicable, to the applicant.

6.4.1 Affordability Period and Repayment Obligation

The Rental Repair Reimbursement Program requires participating property owners to sign a lien in which they will commit to maintaining affordable rents in accordance with HUD guidelines for a period of 20 years. Property owners who choose to rent their property above the HUD affordability rate prior to the completion of the affordability period will be required to return an amount of their award proportional to the time remaining on the obligation.

The Office of Recovery and Resiliency will adhere to all federal, state, and local jurisdictional requirements concerning the filing of the lien. The Office of Recovery and Resiliency and/or Volusia County will monitor applicant compliance with the terms of the lien to ensure that all federal requirements concerning program income are met.

7.0 Post Award

Volusia County will be responsible for ensuring that each application for the Rental Repair Reimbursement Program is in compliance with program objectives and all applicable federal regulations. These include, but are not limited to, long-term compliance with HOME rent and income limits, case close-out requirements, as well as subrogation and recapture. These requirements are explained in further detail in the following sections.

7.1 Long-Term Compliance

Participants in the Rental Repair Reimbursement Program will be required to maintain compliance related to occupancy and rent restrictions during the entire twenty-year affordability period. A declaration of covenants and restrictions shall be included in the lien to ensure affordability compliance. These include:

1. *Occupancy.* The assisted affordable rental units shall be occupied by households that meet the HOME specific income or population requirements as determined by the U. S. Department of Housing and Urban Development (HUD). Income limits will be defined by FHFC and HUD for Volusia County (Daytona-Deltona-Ormond Beach MSA) on an annual basis. See Attachment B - HOME Income Limits. The successful applicant must adhere to current limits published by HUD.
2. *Rent.* The applicant shall ensure that the rents in assisted units comply with HOME requirements for the period of affordability. See Attachment B - 2023 HOME Income Limits, Attachment C – 2023 HOME Rent Limits. Participants must adhere to current limits published by HUD.
3. *Long Term Rental Availability.* Participants in the Rental Repair Reimbursement Program shall maintain the property as a long term (greater than six months) rental property, not a seasonal or vacation property for the twenty-year affordability period.
4. *Unit quality conditions.* The project and the assisted units shall be maintained in standard condition as evidenced by the annual inspection by the County or a vendor contracting with the County. The program agreement will state the application unit quality inspection or standard, to include but not limited to the Rental Repair Reimbursement Program's Housing Quality Standards.
5. *Property standards.* All rental property units assisted must be maintained in accordance with applicable state and local codes, ordinances, and zoning requirements.
6. *Fair housing, affirmative marketing and equal opportunity.* The property owner shall comply with County policies and all applicable federal, state, and local laws, codes and ordinances regarding nondiscrimination in the rental, sale and occupancy of the units. Property owners shall maintain and follow an affirmative marketing and management plan.
7. *Maintain complete and accurate rent rolls.* Property owners shall maintain complete and accurate rent rolls of all rental property units assisted by the Rental Repair Reimbursement Program for the duration of the twenty year lien.

8. *Maintain Flood Insurance.* Property Owners with assisted rental units that are located in the 100-year floodplain shall maintain flood insurance in accordance with National Flood Insurance Program guidelines (42 U.S. Code § 5154).

Property Owners assisted by the Rental Repair Reimbursement Program will be expected to collect and report information to Volusia County about the status, projections, and uses of assisted rental property units listed above on a periodic basis which will include, at a minimum, submission of an annual compliance report throughout the twenty-year affordability period.

7.2 Case Closeout

All Rental Repair Reimbursement Program application files must be properly closed after the completion of the mandatory one-year warranty period. Prior to the closeout of completed cases, ORR will review each file to ensure that each case:

- Met a HUD national objective;
- Was for an for eligible activity; and
- Had no outstanding issues; and
- Contains an otherwise complete record of the case.

In order for a case to be officially closed, the review must be completed, the lien must be filed with the Volusia County Clerk of the Circuit Court, if applicable, and a Case Closure Form (Memo) must be generated. The Memo will be uploaded into the System of Record. The case file will be locked into a “read-only” status.

Procedures:

- After a rental unit has passed the final inspection and the mandatory one-year warranty period has expired, the Administrative Specialist for File Compliance will review the case to ensure compliance with the Case Closeout Checklist.
- In the event that the file is incomplete or if additional information is necessary, the Administrative Specialist for File Compliance will notify the appropriate ORR staff member of the concern so to remedy the issue within 30 days of the closeout review.
- Any issue that cannot be resolved within 30 days will be flagged for review and escalated to the Activity Project Manager for Policy and Compliance.

7.3 Subrogation

The Rental Repair Reimbursement Program will continue to collect any additional disaster recovery assistance or insurance payouts that an applicant property owner may receive for damages after the applicant has signed the program agreement for rental repair benefits. Applicants will be notified of their requirement to report any future disaster recovery assistance prior to the Contract Signing Event. Applicants will sign a subrogation agreement at the Contract Signing Event in which they will agree to report any additional disaster recovery funds received for the repair/rehabilitation of rental property units assisted by the Rental Repair Reimbursement Program and, if those funds are for the same purpose (i.e., the repair/rehabilitation of rental units assisted by the Rental Repair Reimbursement Program), return those funds to Volusia County.

7.4 Recapture

In the event that the Rental Repair Reimbursement Program assists rental property owners who fall out of compliance with the twenty-year affordability period requirement or other programmatic requirements, Volusia County will attempt to work with the rental property owner to bring them back into compliance and to avoid applicant disqualification. In those cases in which an applicant property owner is unable to remedy the situation, Volusia County will seek to recapture the assistance by requiring the applicant property owner to return funding.

7.5 Program Closeout

The closeout of a grant is a process in which HUD determines that all applicable administrative and program requirements of the grant were completed. Once HUD determines that all of the funds were expended and the activities were completed, or if ORR requests initiation of the closeout process, the assigned HUD office will proceed with grant closeout. The Rental Repair Reimbursement Program is ready for closeout when the following conditions are met:

- All CDBG-DR funds were spent on eligible activities and met a national objective;
- Administrative, Planning, and Program Delivery Costs:
 - a. No more than 15% of the total grant was used for planning costs;
 - b. No more than 5% of the total grant was used for administrative costs;
 - c. At least 80% of the total grant was used for program delivery costs;
 - d. At least 70% of the grant was used to address the LMI population.
- Other responsibilities of ORR under the grant agreement and applicable laws and regulations have been carried out satisfactorily (such as the reporting requirement), or there is no further federal interest in keeping the grant agreement open for the purpose of securing performance.

Once ORR and the HUD staff jointly determine that ORR is prepared to begin the closeout process, HUD will inform the grantee that the closeout process has commenced and ORR will complete the following documents: Closeout Checklist (Appendix E); and Grantee Closeout Certification (Appendix F). To ensure that the criteria for closeout have been met, ORR will review the following for consistency with the following HUD files and systems:

- Line of Credit. Check to determine if ORR has any remaining funds in the line of credit. Any remaining funds will be canceled through the closeout process.
- Audit Reports and Monitoring Letters. Review files to determine if there are any unresolved monitoring, audit findings, and/or citizen complaints.
- DRGR Reports or Financial Status Reports. Check to determine all grant funds have been drawn down and all activities have been completed.

Once HUD determines that the criteria for closeout were met, HUD will complete and execute the Grantee Closeout Certification. Within 90 days of the Closeout Certification execution, ORR will submit the final performance report in the DRGR system. Once HUD completes all final reviews, a closeout agreement will be prepared by HUD and executed by ORR. If there are any remaining unused funds in the grant, HUD will recapture these CDBG-DR funds. HUD is then responsible for closing the grant in DRGR.

Record Retention and Access

ORR will establish and maintain such records as may be necessary to facilitate review and audit by HUD of Volusia County's administration of CDBG-DR funds under 24 CFR § 570.493. All records documenting funding decisions will be kept, regardless of the organizational level at which final funding decisions are made, so that they can be reviewed by HUD, the Inspector General, the Government Accountability Office, and citizens pursuant to the requirements of 24 CFR § 570.490. Representatives of HUD, the Inspector General, and the General Accounting Office will have access to all books, accounts, records, reports, files, and other papers, or property pertaining to the administration, receipt and use of CDBG-DR funds and necessary to facilitate such reviews and audits. All records of Volusia County will be retained for the greater of five (5) years from closeout of this grant. All physical and electronic records, following closeout of this grant, will be maintained by the Volusia County Office of Recovery and Resiliency.

8.0 Program-Wide Requirements

8.1 Action Plan and Policy Manual

The Action Plan defines how Volusia County will effectively use all available funding to support its Hurricane Ian recovery effort based on the calculation of need across the county. The Action Plan describes Volusia County's proposed use of HUD's CDBG-DR allocation by activity and lays out program design for each area of assistance, as well as identifying the beginning and end dates for each activity, and performance and expenditure schedules.

8.1.2 Amendments to the Action Plan

Volusia County will engage citizens throughout life-cycle of the Rental Repair Reimbursement Program to maximize the opportunity for input on program changes that result in a Substantial Amendment. Program changes result in a Substantial Amendment when there is:

- An addition or deletion of any allowable activity described in the approved application;
- An allocation or re-allocation of more than \$20 million; and
- A change in planned program benefit or eligibility criteria.

Citizens will be provided with no less than thirty days to review and provide comment on proposed substantial amendments. A summary of all comments received will be included in the final Substantial Amendment submitted to HUD for approval. Final Substantial Amendments approved by HUD will be posted to the Disaster Recovery website.

For other non-substantial amendments, Volusia County shall notify HUD, but public comment is not required. Every amendment, substantial or not, shall be numbered sequentially and posted on the ORR website, not replacing, but in addition to all previous versions of the plan.

8.1.3 Amendments to the Policy Manual

This manual contains the policies and procedures related to the Rental Repair Reimbursement Program. HUD requires that each CDBG-DR grantee adopt and follow written policies and procedures throughout the life of their program. As the Rental Repair Reimbursement Program evolves, the applicable policies and procedures may be amended. Each amendment will be clearly outlined within this manual to include the substance of the amendment and the date for which the amendment occurred. The updated policy manual will replace the existing manual on the Transform386.org website.

8.2 Operational Capacity

Volusia County's CDBG-DR Action Plan for Hurricane Ian outlines how the Office of Recovery and Resiliency intends to use Volusia County's CDBG-DR allocation to benefit those citizens adversely impacted by Hurricane Ian. Volusia County's Implementation Plan demonstrates that Volusia County has the operational capacity to put its Action Plan into effect and carry out its recovery programs. In order to provide for those capacity needs, the following Chain of Leadership is created and listed in order of hierarchy:

1. Volusia County Council appoints a County Manager and approves the creation of each department.
2. The County Manager appoints the directors of each department.

3. The Director of the Office of Recovery and Resiliency (ORR) oversees department operations and direct ORR's Activity Project Managers.
4. ORR's Activity Project Managers carry out broad functions that include, but are not limited to, compliance, financial reporting, construction, case management, and constituent services.
5. The Director of ORR and the Activity Project Managers work with vendors hired by Volusia County to carry out specific recovery related activities.

All other positions listed in the Implementation Plan with position descriptions are assigned to and report directly to the Office of Recovery and Resiliency Director. Additional support is provided by the Department of Information Technology, the Department of Buildings, and the County Attorney's Office. The ORR organizational chart shows each position by title as detailed in the Implementation Plan.

8.2.1 Office and Operational Security

ORR will maintain a secure office at all times during its day-to-day operations and interactions with the public. This policy includes physical information and cyber security. All ORR and contractor personnel will adhere to all security related protocol, and take other steps as necessary to protect persons, property, and information. Violations of this policy may result in administrative and/or disciplinary action up to and including immediate termination.

Procedures:

- All suspicious activities in or around any ORR or contractor facility or housing assistance project site must be reported to the appropriate staff member in the chain of leadership as soon as possible.
- Official identification badges must be in the custody of all ORR, IC, and GC personnel at all times, while they are conducting work activities.
- ORR, IC, and GC personnel must never allow anyone access to an ORR or contractor facility or housing assistance project site without an official identification badge.
- All personal identification information (PII) must, at all times, be stored on a secure computer or phone, or in a secure physical location, which is out of view of the public.
- All computers, phones, and other equipment containing or having access to PII must be logged off or turned off as needed to ensure that unauthorized personnel does not access PII.
- Under no condition are unauthorized ORR, IC, and/or GC personnel to be allowed access to PII.
- Under no condition is PII to be sold, shared, discussed, or transferred to any person or entity outside the control of ORR, its IC, and/or GC.
- ORR, IC, and GC personnel must not perform any action, which results in a data connection between a work device and a personal device.
- All violations of office security procedures contained within this policy must be immediately reported to the appropriate staff member in the chain of leadership.

8.2.2 Human Resources

Volusia County's ORR uses a mission functionality approach to human resources. Individuals selected for open positions at ORR are chosen because they have been deemed to possess the necessary combination of education, skill sets, work ethic, and character to perform their duties at a very high level and represent Volusia County with the highest level of integrity and commitment to its citizens. When performing their job duties, all ORR personnel are expected to:

- Follow all Volusia County human resource standards and procedures in all employment and benefit areas;
- Contact their direct supervisor, or the Volusia County Human Resources Department, if they have a question concerning Volusia County standards or procedures;
- Communicate with their direct supervisor if they have a request, concern, or need to schedule a meeting and attempt to find a solution for their issue;
- Inform their direct supervisor if they are not satisfied with the outcome of this meeting and request a meeting with the ORR Director; and
- Ask for clarification if they have uncertainty concerning a work assignment, timeline, or work schedule.

Regardless of requests, concerns, needs, or other issues, interactions between all personnel should always be courteous and professional. All ORR personnel are expected to:

- Perform their duties with maximum efficiency;
- Work together as a team; and
- Both respect and work within the ORR chain of leadership.

8.2.3 Procurement

Volusia County's Office of Recovery and Resiliency will adhere to the county's Purchasing and Contracts' Procedures Manual, which are fully in compliance with the procurement standards of 2 CFR 200.318-327. Volusia County's Purchasing and Contracts Division will oversee all competitive procurements and coordinate with the Office of Recovery and Resiliency to ensure that procurements are conducted in manner consistent with the principles of full and open competition.

8.3 Communication Standards

All communication (in person and via telephone, text, and emails) with applicants must be professional and pleasant. Any communication with elected officials, the media, and/or attorneys should be directed to their supervisor or a manager. Any substantive contact with these individuals will be handled by ORR's Director unless directed otherwise.

Project Coordinators must log all direct communication with applicants into the System of Record throughout the life of the project. Likewise, any communications received by the Administrative Specialist for Constituent Services must also be logged in the System of Record. All entries should include appropriate language, describe the nature of the communication, and describe the nature of transmitting documentation. No entries should be negative about the applicants.

If an applicant is rude, vulgar, or offensive on the telephone or in-person, the Project Coordinator is not obligated to continue the conversation. If the applicant is present, the Project Coordinator

should notify their Case Management Lead or the Special Project Coordinator for Case Management immediately to defuse the incident. If the applicant is on the telephone, the Project Coordinator should give the applicant their Case Management Lead's name and contact information and immediately notify their Case Management Lead of the details concerning the incident. The Case Management Lead should call the applicant as soon as possible, but no later than 24 hours after the initial conversation.

All communication with or inquiries from elected officials, the media, or attorneys must be referred to and coordinated with the ORR Director. No contractor or sub-contractor personnel may make public statements about the Rental Repair Reimbursement Program without first coordinating and clearing such communication with the ORR Director.

8.3.1 Critical Information Requirements

Both the Implementation Contractor (IC) and the General Contractor (GC) will notify ORR's Operations Director within two (2) hours if any of the following critical events occur:

- Any injury associated with the Rental Repair Reimbursement Program resulting in the immediate movement to a Hospital or Clinic for further treatment;
- Any vehicle wreck associated with the Rental Repair Reimbursement Program resulting in or which may result in a delay in contractual performance;
- Viable evidence that a citizen has attempted or completed fraud against the Rental Repair Reimbursement Program;
- Any citizen fraud complaint lodged against Volusia County, the IC, the GC or sub-contractors associated with the Rental Repair Reimbursement Program;
- Any non-routine inspection conducted by any entity regarding the Rental Repair Reimbursement Program;
- Any complaint by any person regarding harassment or discriminatory conduct regarding any aspect of the operation of the Rental Repair Reimbursement Program;
- Any allegation that the IC, the GC, or sub-contractors have committed a crime while performing their work; and
- Any loss or potential loss of citizen Personally Identifiable Information (PII) in any form to include the loss of a computer containing PII, or the loss or compromise of a paper or electronic communication containing PII;
- Any non-routine inspection conducted by any authorized entity regarding the Rental Repair Reimbursement Program;
- Any complaint by any person regarding harassment or discriminatory conduct regarding any aspect of the Rental Repair Reimbursement Program;
- Any threat of legal action by a citizen against any contractor or Volusia County which threat relates to any aspect of the Rental Repair Reimbursement Program;
- Information that an applicant is living in deplorable conditions;
- Any rental property turned over to a client by a GC prior to a required final inspection;
- Any instance in which a sub-contractor places a mechanic's lien on an applicant's home; and

- The diagnosis of any person, associated with the Rental Repair Reimbursement Program in any way, of having a highly communicable disease including but not limited to: Cholera; Diphtheria; Infectious Tuberculosis; Plague; Smallpox; Yellow Fever; viral hemorrhagic fevers; communicable severe acute respiratory syndromes; Flu, coronavirus, or respiratory illness that can cause a pandemic.

8.3.2 Customer Feedback

The Office of Recovery and Resiliency is committed to the success of the Rental Repair Reimbursement Program. We care about what our citizen customers have to say as well as their expectations. Project Coordinators will provide a customer survey to each applicant 90 days following construction completion to obtain their level of satisfaction with the Rental Repair Reimbursement Program. Surveys will be conducted online or via phone call. All surveys will be documented in the System of Record. Surveys with negative feedback will be contacted within 24 hours to mitigate any potential complaints that are of a material nature to the applicant or their property.

Using the information in the customer survey will ensure the Rental Repair Reimbursement Program is focused on improving services while maintaining a finger on the pulse of the overall project. The goal is to continually improve internal processes as well as customer service skills. ORR staff will contact any applicant who indicates a concern to discuss a possible resolution, if applicable.

8.3.3 Case Management Support

Applicants may need support throughout the process. Applying to the Rental Repair Reimbursement Program may be complicated by the loss of documents or temporary residence outside of the area. ORR will establish and maintain partnerships with legal services and title companies, etc. to assist applicants with the application process. Project Coordinators will work in collaboration with other agencies to assist owners and displaced persons from inception to close-out. Each applicant will be assigned a Project Coordinator as a single point of contact to work with throughout the eligibility process. As applications are being accepted and reviewed for determinations of eligibility for assistance, each applicant will be advised and made aware of their application status.

8.4 Due Diligence for Communication with Applicants

The Rental Repair Reimbursement Program will follow a due diligence process to contact applicants to schedule personal consultations and meetings.

Required Documentation:

- Due diligence letter, and/or
- Personal consultation cancellation Letter

Due Diligence Process:

- The Rental Repair Reimbursement Program will record three (3) phone contact attempts in the System of Record.
- If contact has not been made with the applicant, the System of Record application status will be updated, and a due diligence letter will be mailed and/or emailed. The due diligence letter will be available in the System of Record.

- If contact has not been made with the applicant within seven (7) days of the date of the mailed due diligence letter, the applicant's application status will be updated in the System of Record, and a personal consultation cancellation letter will be mailed. The signed personal consultation cancellation letter will be copied, scanned, and uploaded into the System of Record.
- If contact has not been made with the applicant within fifteen (15) days of the date of the mailed personal consultation cancellation letter, the applicant's application status will be updated to "inactive" in the System of Record and be subject to the inactive application process.

Missing Documentation

Applicants must submit all required documentation for their application to be complete. Only after all documentation has been received by ORR, can an application be processed to completion and a final eligibility determination to be made. Applicants will be encouraged to submit all requested documentation before the Intake process is complete.

Voluntary Withdrawal

An applicant may request to withdraw from the Rental Repair Reimbursement Program at any time before funds are disbursed. The voluntary withdrawal process will be followed in the event an applicant requests to withdraw from the Rental Repair Reimbursement Program.

Required Documentation:

- Withdrawal request or Letter, if applicable.

Voluntary Withdrawal Process:

- The applicant's desire to withdraw must be recorded in the System of Record.
- The application status will be updated in the System of Record and a withdrawal letter will be mailed to the applicant.
- Applicants will also be provided an opportunity to voluntarily withdraw using an electronic method.
- Upon receipt of the withdrawal request, as noted, a withdrawal confirmation letter will be sent to the applicant and the System of Record application status will be updated to "Withdrawn".

Inactive Status Process:

An application may result in inactive status if any of the following conditions exist:

- Insufficient documentation has been submitted to verify all eligibility requirements;
- An applicant does not have the ability to fund a required gap amount;
- An applicant has not been responsive to a number of required meetings;
- Due to lack of information, a program assistance award calculation cannot be completed;
- Due to a program decision concerning damage to a property and the resulting program outcome; or
- Inactive files will be reviewed on a case-by-case basis to determine reactive status, as applicable.

The Inactive Process:

- The applicant's Project Coordinator will designate the application as Inactive with a detailed reason, and ensure all documentation is recorded in the System of Record.
- A letter will be generated and sent certified mail to the applicant informing them of their inactive status. This letter will include the reason for the inactive status and the Project Coordinator contact information as needed.

Demonstrable Hardship

The Rental Repair Reimbursement Program may consider exceptions to various policies for applicants who demonstrate undue hardship. Applicants in this situation will be reviewed to determine whether their priority ranking or denial of program assistance will further perpetuate the circumstances attributing to such hardship. A demonstrable hardship may include but is not limited to, the following: prolonged job loss, substantial reduction to household income, death of a family member, unexpected and extraordinary medical bills, a disability, etc. Requests for an exception to Rental Repair Reimbursement Program based on an undue hardship will be evaluated on a case-by-case basis.

Applicant Concerns, Requests, Suggestions, and Appeals

During the course of the Rental Repair Reimbursement Program's operations, decisions will be made on housing assistance applications and/or housing project types to be delivered. These decisions will be made based on applicable statutes, codes of federal regulation, state, and local codes and ordinances, local guidelines, and program operational procedures, as each is interpreted by ORR.

During the course of these activities, it is possible that citizens may have a legitimate concern, request, or suggestion. In addition, once they receive a response to their application for services, they may believe they have a legitimate reason to appeal a decision. In order to allow for such circumstances, applicants are allowed to communicate their program concerns, requests, and suggestions; and appeal program decisions related to one of the following activities:

- A program eligibility and/or priority determination;
- A program assistance award calculation;
- A program decision concerning housing unit damage and the resulting program outcome; or
- A demonstrable hardship.

Citizens may submit a written concern, request, suggestion, or appeal to the Rental Repair Reimbursement Program by visiting <https://www.transform386.org/> and selecting "Contact Us Online".

ORR's Administrative Specialist for Constituent Services will make every effort to provide a timely written response upon receipt of a citizen's petition, usually within fifteen (15) business days, as expected by HUD, where practicable. If a citizen is not satisfied by the response, the citizen may file a written appeal by following the instructions contained within the letter of response. If at the conclusion of the appeals process the citizen has not been satisfied with the response, a formal complaint may then be sent directly to the regional Department of Housing and Urban Development (HUD) at:

U. S. Department of Housing and Urban Development

Charles E. Bennett Federal Building
400 W. Bay Street, Suite 1015
Jacksonville, FL 32202

8.5 Environmental Criteria and Standards

In accordance with HUD regulations, environmental reviews will be a factor in determining eligibility for Rental Repair Reimbursement Program assistance. Applicant properties will be subject to environmental requirements.

Environmental Reviews

Grantee funding assistance from HUD is contingent on compliance with the National Environmental Policy Act and related environmental and executive orders. Accordingly, environmental review activities will be carried out for each funded Program activity.

The HUD Environmental Review Procedures are outlined in 24 CFR Part 58 and allow grantees to assume environmental review responsibilities. ORR assumes the role of the Responsible Entity, as outlined in 24 CFR Part 58 Subparts A and B, to undertake compliance effort for the Rental Repair Reimbursement Program. ORR will be responsible for required environmental reviews.

8.6 Financial Basics

A fundamental purpose of grant financial management is to ensure the appropriate, effective, timely, and ethical use of grant funds.

Specifically, ORR will ensure:

- Internal controls are in place and adequate;
- Documentation is obtained and available to support accounting record entries;
- Financial reports and statements are complete, current, reviewed periodically; and
- Audits are conducted in a timely manner and in accordance with applicable standards

Program Income

Volusia County does not intend to implement any programs that generate income as described in 24 CFR

570.489. If program income is generated, Volusia County will utilize program income as follows: Income received prior to the grant closeout will be utilized as additional CDBG-DR funds in the same manner as other CDBG-DR funds referenced; any income received after the grant closeout, will be transferred to Volusia County's annual CDBG award.

If program income is generated, ORR will input the amount of program income into DRGR on a quarterly basis. With the input of program income, the Project Budgets and Activity Budgets will also be updated. After the adjustments in DRGR have been made to account for program income, ORR will resubmit the DRGR Action Plan for HUD approval.

8.7 Suspension and Debarment

ORR will follow the procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and

contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities¹.

8.8 Conflicts of Interest

A conflict of interest is, by definition, a conflict between the private interests and the official or professional responsibilities of a person in a position of trust. Volusia County's Merit Rules and Regulations prohibit County employees from engaging in any activity that may generate a conflict of interest. ORR has a firm expectation that all staff will be diligent in the avoidance of potential and actual conflicts of interest, as well as perceptions of conflicts of interest. A conflict of interest may occur when the private interests of a person in a position of trust are inconsistent with or impede his/her official responsibilities. This is especially true when applicants are selected to receive assistance and when contracts for goods or services are awarded.

To establish internal controls for identifying potential conflicts of interest, all team members, employees, and other parties participating in the determination of eligibility and/or the distribution of funds, are expected to practice good judgment when presented with a situation, which may involve a potential or actual conflict.

All Rental Repair Reimbursement Program staff are required to make full disclosure to their direct supervisor of any interests, relationships, and holdings, which could potentially result in a conflict of interest. Potential conflicts of interest may include relationships with neighbors, acquaintances, friends, family members, and other members of the community. In the event that any ORR staff member becomes conscious of any current or prior relationship or familiarity with a potential applicant, they are required to notify their direct supervisor, who will make arrangements to ensure that the staff member does not process or interact with applications involving potential conflicts of interest.

This separation of responsibility will ensure an unbiased approach to the processing of all applications and final eligibility determinations. The goal is for every Volusia County citizen to have confidence that their application is being processed with expedient efficiency and integrity. In the event a potential or actual conflict is reported, the ORR Program Management Director will review the circumstances in-depth and be responsible for determining the course of action to be taken if a conflict is found to exist. If a team member has any doubt as to whether a current or prior relationship poses a potential conflict of interest, they should request guidance from their supervisor.

8.9 Fair Housing

During the operations of the Rental Repair Reimbursement Program, ORR will utilize fair housing principals and take action necessary to affirmatively further fair housing to include:

- Seeking participation from organizations whose target populations include individuals and families in the LMI category.
- Creating and implementing a Fair Housing Outreach Plan which incorporates knowledge obtained from:
 - a. Volusia County's Analysis of Impediments to Fair Housing (AI).
 - b. Fair Housing activities conducted by fair housing stakeholders.

¹ 2 CFR 200.318(h) and 2 CFR 200.213

- c. Organizations that advocate on behalf of disadvantaged population groups.

Procedures:

- During planning, public comment, implementation and ongoing operations of its Housing Recovery Programs, ORR will invite participation from neighborhood organizations, community development organizations, social service organizations, community housing development organizations, and members of each distinct affected community or neighborhood which might fall into the low- and moderate-income community assistance category.
- ORR will utilize a wide range of knowledge gained from various fair housing sources to develop a Fair Housing Outreach Plan. These sources include:
 - a. Volusia County’s Analysis of Impediments to Fair Housing (AI).
 - b. Fair housing surveys, public awareness activities, fair housing fairs, and roundtables detailed in Volusia County’s Consolidated Annual Performance and Evaluation Report to HUD and conducted by select fair housing stakeholders such as:
 - The FL Human Affairs Commission (HAC).
 - FL Department of Consumer Affairs (DCA).
 - The FL State Housing Finance Development Authority (SHFDA).
 - c. The SoVI® index of vulnerability factors
 - d. The National Association for the Advancement of Colored People’s (NAACP) adaptation planning structure is described in the organization’s paper on “Equity in Building Resilience in Adaptation Planning”.
- ORR will implement the Fair Housing Outreach Plan, monitor plan implementation for success, and make adjustments to the plan as needed.

8.10 Citizen Participation Plan

ORR values citizen and stakeholder engagement. Volusia County has developed a Citizen Participation Plan in compliance with § 24 CFR 91.115 and applicable HUD requirements to set forth the policies and procedures applicable to citizen participation. This plan is intended to maximize the opportunity for citizen involvement in the planning, development, and execution of the Volusia County CDBG-DR program. In order to facilitate citizen involvement, Volusia County has identified target actions to encourage participation and allow equal access to information about the Rental Repair Reimbursement Program by all citizens. Volusia County intends to focus outreach efforts to facilitate participation from LMI individuals, non-English speaking persons, and other disadvantaged populations. ORR has published its Action Plan in Spanish as well as English. In addition to citizen involvement, Volusia County encourages the participation of regional and State-wide institutions. Volusia County will consider any comments received in writing, via email, or expressed in-person at official public hearing events. Additionally, to permit public examination and public accountability, Volusia County will make the above information available to citizens, public agencies, and other interested parties upon request.

In anticipation of receiving federal CDBG-DR funds, ORR is required to incorporate specific citizen participation requirements. This plan outlines how ORR intends to meet or has already met these requirements. As the agency administering the CDBG-DR Program, ORR is committed to furthering fair housing through established affirmative marketing and outreach activities. ORR will take steps based on the Fair Housing Act of 1968 to reduce disparities in housing choice, access,

and opportunities based on protected classes (e.g., race, color, religion, familial status, sex, national origin or disability). Toward achieving that objective, ORR will ensure that its outreach, communication, and public engagement efforts are comprehensive in order to reach as many impacted citizens as possible.

Outreach Activities and Public Hearings

The objectives of ORR's outreach activities are to ensure that all citizens are aware of the CDBG-DR funding and planning process, have an opportunity to comment on or suggest proposed uses for the funds, and to maximize public awareness and access to CDBG-DR program funds when available.

Limited English (LEP) & Special Needs

Volusia County is committed to providing all citizens with equal access to information about the recovery program, including persons with disabilities and Limited English Proficiency (LEP) persons. Volusia County follows HUD's regulation, 24 CFR Part 1, "Nondiscrimination in Federally Assisted Programs of the Department of Housing and Urban Development—Effectuation of Title VI of the Civil Rights Act of 1964," which requires all recipients of federal financial assistance from HUD to provide meaningful access to LEP persons.

ORR has adopted a Language Assistance Plan (LAP) in order to provide meaningful access to its programs and activities by persons with LEP. In accordance with federal guidelines, ORR will make reasonable efforts to provide or arrange free language assistance for its LEP persons. When a significant number of non-English speaking residents can be reasonably expected to participate in public hearings or open comment periods, materials to be handed out will be translated into the appropriate language, citizen comments in a language other than English will be translated, and translators will be present. These populations will be identified through mapping of Census and other data or non-profit or stakeholder identification of need. The SoVI® Targeted, specialized outreach will be conducted to these populations in order to ensure proper notice of the opportunity to attend hearings or provide input on all proposed plans.

The LAP focuses on plans for individuals with limited English proficiency. Plans to meet the communication needs of clients who are deaf, hard-of-hearing, or blind are also important and will be properly addressed by reasonably complying with applicable legislation such as Section 504 and the Section 508 Amendment to the Rehabilitation Act of 1973, and Title II and Title III of the Americans with Disabilities Act (1990).

Meaningful access is free language assistance in accordance with federal guidelines. The number and proportion of persons with Limited English Proficiency (LEP) who are eligible to be served or likely to be encountered by the Rental Repair Reimbursement Program or grantee are based on U.S Census Bureau American Community Survey (ACS) 2006-2010 population. Based on the eligible population, it was concluded that Spanish is the only majority language spoken, other than English, in any eligible county for the CDBG-DR Program. As a result of this initial population analysis, all Action Plans, any ensuing amendments, outreach materials and any application and related guidance materials will be published in both English and Spanish.

Public Website

To provide the public with comprehensive information on the status of mitigation activities, ORR has created a Hurricane Ian Recovery website, which can be found at: Transform386.org. The Transform386 website includes the HUD-approved CDBG-DR Action Plan, any action plan amendments, program availability, Quarterly Performance Reports (from the HUD DRGR system), policy and procedure manuals, procurement policies, and the status of services or goods

currently being procured (e.g., phase of the procurement, requirements for proposals, etc.); and other required and pertinent information.

Timely Expenditure

Timeliness of expenditure for the grant funds is defined as 6 years from the time of HUD's execution of the grant agreement. Volusia County will track expenditure projections monthly over the life of the award utilizing the HUD-provided Projection of Expenditures and Outcome Template, in conjunction with the Disaster Recovery Grant Reporting (DRGR) system. Volusia County will submit a complete projection of expenditures within 120 days after the initial Action Plan has been submitted through the DRGR system. Revised projections will be sent to HUD when program changes impact projected outcomes, funding levels, and recovery timelines. Volusia County will manage financial transactions through the SCEIS record system.

8.11 Disaster Recovery Grant Reporting (DRGR)

As required by HUD, ORR will utilize the Disaster Recovery Grant Reporting System (DRGR) to submit its Action Plan detailing its projected use of CDBG-DR grant funds and report quarterly on its accomplishments pertaining to the same. In addition, DRGR will be used to draw down CDBG-DR grant funding from HUD.

ORR staff will ensure that accurate information is collected and reported to HUD in DRGR and that relevant systems and procedures comply with Federal policies and requirements governing reporting. Additionally, they will ensure that the Quarterly Performance Reports (QPR)s, Public Law Documents, and other required documents are properly uploaded to the Hurricane Ian website for Public viewing.

Procedures:

- DRGR breaks down a grant into categories known as projects. It further breaks down each grant project into subcategories called activities. Activities are grouped in a project based on their geographic or National Objective similarities. ORR will base its DRGR projects on those stated in the Action Plan.
- Activities are based on a single National Objective. Each National Objective is defined by HUD and has individual requirements that must be met by ORR. Any activity actions that do not meet a specific National Objective's requirements must be reported under a new separate activity.
- QPRs are to be submitted to HUD no later than 30 days after the end of a Quarter. A copy of the QPR, Public Laws, and other required documents must be uploaded to the Hurricane Ian website within 3 days. The same 3-day requirement applies to QPR resubmissions and approved QPRs.
- All Action Plan Amendments must be properly reflected in DRGR the quarter they occur.

9.0 Quality Control and Compliance

9.1 Internal Audit

The Internal Audit is independent of ORR and reports directly to the County Manager. The Internal Auditor utilizes three types of internal audit mechanisms to review County activities: operational, compliance, and forensic. Auditing activities may involve a direct review of the actions pertaining to the following subject areas:

1. Application Intake
 - a. Eligibility Verification; and
 - b. Duplication of Benefits Analysis.
2. Construction
 - a. Environmental Reviews;
3. Programmatic
 - a. Citizen Participation Compliance;
 - b. Section 3 Compliance;
 - c. Fair Housing Compliance; and
 - d. Relocation Activities.

Other activities conducted by Internal Audit include:

- Review of Individual Department Audits such as Finance, DRGR, and Monitoring.
- Review of specific program pricing policies to ensure that the decisions that are made are in the best interest of the Rental Repair Reimbursement Program, Applicant, and Taxpayer.
- Review of Customer Service Complaints at both intake and throughout the process.
- Review of any items received through the Internal Audit Hotline at (386) 822-5056.

Internal Audit will specifically monitor the following:

1. Intake Documentation
 - a. Review files to verify applicant program eligibility;
 - b. Review files of applicants classified as unlikely to be served to ensure eligibility validity; and
 - c. Internal Audit will review a minimum of 25% of applicant files.
2. Special Case Monitoring
 - a. 100% of the files will be reviewed that are submitted to the Special Case Panel. These reviews will focus on eligibility, cost containment, and the appropriate and timely scope of work items.

Internal Audit may report the number of cases reviewed to the APM for Policy and Compliance as a metric of Internal Audit progress. Internal Audit reports any issues identified through daily monitoring activity to the contractor to facilitate expeditious corrections.

On an as-needed basis, other audits or reviews will be completed using an approved audit program. The results will be reported through a formal report along with any findings.

Semi-Annual reports are provided to the Steering Committee to ensure they are aware of Internal Audit's progress.

Auditee Responsibilities

In accordance with 2 CFR § 200.508, ORR must:

- Procure or otherwise arrange for the audit required by this part in accordance with §200.509 Auditor selection, and ensure it is properly performed and submitted when due in accordance with § 200.512 Report submission;
- Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 Financial statements;
- Promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with § 200.511; and
- Provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by this part.

Audit Hold

Citizens participating in ORR Programs are required to submit documents to meet program eligibility requirements. These documents are subject to examination by the Internal Auditor.

In the event that the Internal Auditor does not agree on the eligibility of an applicant's documentation, the Internal Auditor may place a file on audit hold, pending an investigation and/or the submission of additional documentation. The audit hold process is as follows:

1. The Internal Auditor disputes an applicant's eligibility.
2. The Internal Auditor places the case on audit hold.
3. The Internal Auditor will coordinate with ORR in order to contact the applicant and make them aware that their case has placed on audit hold and the reasoning behind the hold.
4. Monthly, or more frequently if necessary, an Audit Reconciliation Meeting will occur. Attendees may include: the ORR Director, the Internal Auditor, a County Attorney, or someone appointed as any of the named attendees' designee.
5. A decision will be made at this meeting on whether the cases on a 30 day+ audit hold will move forward or will be closed. If a case is closed, the APM for Policy and Compliance will prepare a decision memorandum to indicate the reasons why the case cannot move forward. The County Attorney will review, sign, and send the letter to the ORR Director for a final decision. This decision memorandum must be uploaded to the System of Record. The applicant has the right to appeal an adverse decision.
6. If the ORR Director decides that the hold is not justified, the Internal Auditor must remove the hold from the file within 24 hours. Audit reserves the right to write a decision memorandum outlining their position on the matter.

9.2 Special Case Panel

ORR will review and respond to concerns, suggestions, requests, and other issues that warrant consideration pertaining to the Rental Repair Reimbursement Program by utilizing a Special Case Panel (SCP). The Special Case Panel (SCP) is a five-member panel that will address unique issues when they arise and will issue decision memorandums or the equivalent on each matter it considers. The decision memorandum will be signed by the Finance and Administration Manager, who will serve as the SCP chair and present decisions to the ORR Director for final approval. Once the decision memorandum is signed by the ORR Director, it will be uploaded to the System of Record.

Throughout the life of the Rental Repair Reimbursement Program, decisions will be made based on the Special Case Panels interpretation of the specific issue and all relevant federal, state, and/or local statutes, regulations, codes & ordinances, as well as the CDBG-DR Action Plan and Rental Repair Reimbursement Policies and Procedures effective at the time of consideration. In the event that the Special Case Panel addresses a recurring issue that has the potential to impact a wider range of applicants, ORR will consider amending the policy and procedure manual to encompass the policy implications of the issue.

9.2.1 Potential SCP situations

The SCP may review situations that include, but are not limited to the following:

- Complaints, Appeals, or other Special Circumstances as requested by the Special Project Coordinator for Case Management.

Review Panels may be appointed by the ORR Director, as necessary.

9.3 Complaints and Appeals

ORR staff is responsible for responding to complaints and appeals in a timely and professional manner. A complaints and appeals process will be afforded to applicants to provide a quick and efficient system for resolution of concerns or disputes that applicants may have with the procedures followed or services provided by ORR. The complaints and appeals procedure will include both an informal complaint process and a written appeal. ORR will keep a record of each complaint or appeal that it receives to include all communications and their resolutions. Complaints alleging violation of fair housing laws will be directed to the U.S. Department of Housing and Urban Development for immediate review. Complaints regarding fraud, waste, or abuse of government funds will be forwarded to the HUD OIG Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov).

When a complaint is received, the assigned Project Coordinator will respond to the complainant within ten (10) business days where practicable. For expediency, the ORR staff shall utilize telephone communication as the primary method of contact; however, email and postmarked letters will be used as necessary. If a complaint cannot be resolved through these means, an appeal to the SCP may be made through the assigned Project Coordinator.

9.3.1 Special Case Panel Appeals

Applicants who disagree with a finding issued by the Special Case Panel will have an opportunity to appeal the decision to the Director of the Office of Recovery and Resiliency. Applicants who wish to appeal a SCP finding shall submit a written appeal request to ORR within thirty (30) days

of receiving the SCP decision. The applicant's appeal should include a brief summary of the basis for their dispute as well as any documentation that would support their position. The applicant's appeal will be reviewed by the Director of the ORR for consideration no later than ten (10) business days upon receipt of the applicant's appeal. The Director of the ORR shall issue a final determination in writing within fifteen (15) business days of review

9.4 Violation of Requirements and Recapture

The property owner/applicant will sign a forgivable lien for rental properties at the Contract Signing Event. The lien has provisions by which non-compliance by the property owner or landlord may result in the amount of assistance provided by ORR being due and payable back to ORR. A person receiving ORR assistance could also violate program requirements outside of the Note. If the assisted person violates the terms of the Rental Repair Reimbursement Program, they may owe back to ORR the amount of assistance provided to them. If the awardee violates a specific term within the Note or if there is a non-compliant act outside of the Note and ORR determines that recapture of funds is appropriate, ORR will:

- Confer with the property owner or landlord to determine if they can voluntarily cure the non-compliance; or
- Provide written notice to the property owner or landlord of the reason for the non-compliance and demand either an immediate cure of the non-compliance or the voluntary repayment of the amount of program assistance provided; or
- Seek legal recourse in the judicial system for Volusia County of Florida.

ORR recognizes there may be a multitude of reasons for non-compliance including but not limited to, death, incarceration, military deployment, incapacitating disability, or another disaster. Property owners or landlords may petition the Special Case Panel to review any extenuating circumstances that they believe should grant them relief from the requirements of the Note. The Special Case Panel will evaluate the concerns and make a determination on whether the recapture of funds is necessary.

If ORR recaptures, by whatever means, any funds from a non-compliant property owner, then those funds will be returned to the current grant and utilized for any eligible grant activity. The recaptured funds will be subject to the requirements of the Federal Register Notice for the current grant and will be used in accordance with Volusia County's current Action Plan. If funds are recaptured after closeout of the grant that generated the recapture, then ORR will confer with HUD regarding transferring the recaptured funds to Volusia County's annual CDBG grant award.