



TRANSFORM386

STRENGTHENING VOLUSIA'S FUTURE

Infrastructure & Mitigation Program Policies and Procedures Community Development Block Grant – Disaster Recovery





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Principal Deputy Assistant Secretary for Fair Housing and Equal
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Version History

Version	Date	Notes
1.0	August 8, 2024	Initial policy and procedure manual based on design of program as described in the Volusia County CDBG-DR Action Plan.
1.1	February 9, 2026	Section 1.3.1 added to clarify project modification procedures. In section 1.5, updated LMI funding language for projects that have an LMI percentage below 51%. Section 3.6, Application Process, Scoring, and Approval section added.

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, providing Volusia County with a total of \$329 million in Community Development Block Grant – Disaster Recovery (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 as 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 2022, 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, multi-family new construction, infrastructure, mitigation, and public services.

1.1 Purpose and Objectives

The purpose of Volusia County's CDBG-DR Infrastructure & Mitigation Program is to provide assistance to critical infrastructure that was damaged by Hurricane Ian. Per the May 18th Federal Register Notice (88 FR 32046), HUD defines an infrastructure activity as “any activity that assists the development of the physical assets that are designed to provide or support services to the general public.” Infrastructure projects are intended to address the \$107 million unmet need identified in Volusia County's CDBG-DR Action Plan and may go towards projects that reduce or mitigate flood related risks.

1.2 Program Design

Volusia County will issue a notice of opportunity on the Transform386 webpage. Local municipalities, not-for-profits, public housing authorities, and Volusia County governmental agencies will have an opportunity to apply for project funding directly to the Office of Recovery and Resiliency. As funding is limited relative to the total unmet need, Volusia County will utilize a project scoring system for awarding projects.

Volusia County's Office of Recovery and Resiliency will collect and review applications and, if necessary, provide technical assistance to applicants. Selected projects will then be presented to Volusia County Council, who will have ultimate authority to approve projects.

In order to receive consideration, applicants must have a designated responsible entity who will be required to identify the applicant's plan for funding both operating and maintenance costs (if applicable) for any infrastructure project within its jurisdiction. Volusia County will determine cost reasonableness during the procurement phase in order to ensure construction costs are reasonable and consistent with market costs.

In addition to the standard infrastructure categories above, Volusia County will also consider projects that support a mitigation activity. The U. S. Department of Housing and Urban Development (HUD) defines mitigation as an activity that "increases resilience to disasters and reduces or eliminates the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship by lessening the impact of future disasters." 88 FR 561.

1.3 Grant Signing

ORR will review all project applications in accordance with the procedures set forth in the Infrastructure & Mitigation Program Application Guide prior to submission to the Volusia County Council for final approval. ORR will perform all due diligence regarding Duplication of Benefits and National Objective confirmation prior to submitting the proposed project to the Volusia County Council in accordance with the policies and procedures set forth below. Upon approval by the Volusia County Council of the proposed CDBG-DR infrastructure or mitigation project, ORR will finalize the Joint Project Agreement (JPA) for signing by an authorized representative of the applicant-grantee.

1.3.1 Project Modification and Administrative Re-Approval

At times, a project that has been approved by the Volusia County Council may encounter unforeseen conditions, design adjustments, or implantation challenges that result in significant changes to the originally approved project parameters. In such cases, the applicant may submit a revised application reflecting the proposed changes for the same project.

Upon receipt of revised documentation, ORR will review the updated project to determine continued compliance with program requirements, including eligibility, national objective alignment, environmental implications, and consistency with the Infrastructure & Mitigation Program goals.

A revised project may be administratively approved by the County Manager and/or the ORR Director without returning to the Volusia County Council for additional approval provided that all of the following conditions are met:

- The revised project maintains the same overall purpose, public benefit, and general scope as originally approved by the County Council;
- The amount of CDBG-DR funding requested remains unchanged or is reduced from the amount approved by the County Council;
- The modification does not alter the project's eligibility category, national objective qualification, or alignment with the Transform386 Action Plan priorities; and
- All applicable federal cross-cutting requirements, including environmental review requirements under 24 CFR Part 58, are satisfied prior to the commitment or expenditure of CDBG-DR funds.

Any revised project requesting an increase in CDBG-DR funding above the amount originally approved by the Volusia County Council must be returned to the County Council for review and approval prior to award or obligation of funds.

Administrative approval under this section shall not:

- Authorize, legitimize, or reimburse costs associated with actions that violate federal requirements, including prohibited choice-limiting actions as described in 24 CFR Part 58.22;
- Permit reimbursement of costs incurred prior to completion of the environmental review process and issuance of the Authority to Use Grant Funds when applicable; or
- Substitute for County Council approval when changes materially alter the intent or scale of the originally approved project beyond administrative thresholds as determined by ORR

The following process will be used when a project modification request is submitted:

1. The applicant submits revised project documentation describing the proposed changes and justification.
2. ORR reviews the request for program compliance, eligibility, budget impacts, environmental considerations, and consistency with the original award intent.
3. ORR prepares a recommendation regarding administrative approval or referral to County Council.
4. The County Manager and/or ORR Director issues a determination.
5. If administratively approved, the project proceeds through any required updates to environmental review, agreements, or compliance documentation prior to the commitment of funds.

1.4 Duplication of Benefits

Volusia County ORR will ensure that it follows Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C.5155), also known as the “Stafford Act”, which 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 ORR recovery programs may not be used for any costs when another disaster recovery or mitigation 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 the 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;
- The assistance is from multiple sources;
- The assistance amount exceeds the need for a particular recovery purpose

To ensure that Volusia County ORR does not provide a duplication of benefits, ORR infrastructure projects will be reviewed using the following general process prior to submission to the Volusia County Council and JPA signing:

1. Determination of the applicant's total need
2. Identify all potentially duplicative assistance
3. Determine whether assistance was duplicative
4. Deduct duplicative assistance from the applicant's total need

Recapture of Duplication of Benefits

If a Duplication of Benefits is identified, ORR will recapture funds to the extent they are in excess of the need and duplicate other assistance received by the beneficiary for the same purpose.

Sources of Duplication of Benefits

The following are potential sources of funding assistance provided for structural damage and loss that may be considered a DOB for the Infrastructure and Mitigation Program: FEMA public assistance categories C through G, FEMA National Flood Insurance Program (NFIP), private insurance, Small Business Association loans, and other sources. In the event that additional duplication of benefits are received by the applicant after approval by the Volusia County Council, the additional funding for the awarded project must be applied to reduce the award amount.

Funds received from any source including flood insurance, FEMA, and hazard insurance that were used for a similar purpose 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. In the event that funds were received for a similar purpose, ORR will inspect, confirm, and estimate the value of repairs based upon the applicant's statement of repair work already completed.

Note: In accordance with the 2019 DOB Notice, any subsidized loan declined by an applicant, and any subsidized loan accepted by an applicant and used for a disaster-related loss, is not a duplication of benefits. These types of assistance may be included in necessary and reasonable analysis but will not be considered a duplication of benefits.

1.5 National Objective Verification

Volusia County ORR must ensure that a minimum of 70% of CDBG-DR funds meet HUD's low-to-moderate income (LMI) benefit national objective. ORR will verify that LMI Area Benefit service area analyses included in the applicant's project proposals are accurate using the best available data prior to submission to the Volusia County Council for approval. In the event that the project's service area changes as a result of an unanticipated change in the scope of work, ORR will re-assess the service area and associated LMI population to ensure that the project continues to meet the LMI Area Benefit national objective.

Projects with a service area of 51% or greater LMI population are considered 100% LMI for funding purposes. Projects with a service area less than 51% LMI shall be assigned an LMI benefit funding percentage based on the percentage amount below 51%. In the funding of infrastructure projects the ORR may count funds expended for infrastructure activities towards benefitting LMI persons and meeting the overall benefit requirement by multiplying the total cost (including CDBG-DR and non-CDBG-DR costs) of the infrastructure activity by the percent of LMI

persons in the service area, except that the amount counted shall not exceed the amount of CDBG-DR funds provided. As an example, if the total cost of an infrastructure activity is \$1,000,000, and the percentage of LMI persons in the activity's service area is 40 percent, then \$400,000 would count towards benefiting LMI persons when calculating a grantee's overall benefit (assuming this project is only funded with CDBG-DR funds).

2.0 General Program Policies

The below sections provide a broad overview of the policies and procedures that the Volusia County Office of Recovery and Resiliency will put into effect during its administration of the Infrastructure & Mitigation Program. Where applicable, Volusia County will develop standard operating procedures that outline the specific processes that will be used to implement these policies and procedures.

2.1 Procurement Standards

Volusia County will follow the guidelines of OMB Super Circular, 2 Code of Federal Regulations (C.F.R.) Part 200.317 through 2 C.F.R Part 200.327, as amended for all required procurements of infrastructure projects receiving CDBG-DR funds unless the requirements of Volusia County are more stringent. The required contract clauses shall be included by exhibit or incorporated into all solicitation documents and resulting contracts.

Suspension and Disbarment

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.

Prior to award, it must be ensured that all contractors receiving CDBG-DR funds have met all the eligibility requirements outlined in state and federal law. Volusia County will verify that contractors have not been debarred or suspended at the time of the contract award. Similarly, those contractors must verify that their subcontractors or any other entity that will receive federal funds for delivering program services is not on the federal debarment list. At a minimum, the following steps must be taken to ensure contractor eligibility for all services procured:

Contractors: All contractors, including professional consulting and engineering firms, must be cleared via a search of the Federal System of Award Management (SAM) to ensure the contractor is in good standing and has not been debarred. A copy of the Sam search result must be kept in the file on that contractor. The SAM portal can be found here: <https://sam.gov/SAM/pages/public/searchRecords/search.jsf>

Subcontractors: Contractors must notify ORR prior to the use of any subcontractors so that ORR can verify debarment status. ORR will notify the selected prime contractors that it is the sole responsibility of the prime contractor to verify subcontractor eligibility based on factors such as past performance, proof of liability insurance, possession of a federal tax number, and state licensing requirements. It should be noted that if any of the above-listed parties are deemed ineligible to receive CDBG-DR funds after the award of the contract, the contract will be immediately terminated.

¹ 2 CFR 200.318(h) and 2 CFR 200.213

2.2 Environmental Review

All CDBG-DR funded projects must complete an environmental review in accordance with 24 CFR Part 58 to ensure that the proposed activity is compliant with the National Environmental Policy Act (NEPA) and related environmental and executive orders. Accordingly, environmental review activities will be carried out for each funded Infrastructure & Mitigation Program activity to ensure the activity does not negatively impact the property or surrounding social, cultural, and physical environment including historic resources.

The HUD regulations in 24 CFR Part 58, Subpart B allows grantees to assume environmental review responsibilities. Volusia County assumes the role of the Responsible Entity (RE), as outlined in the federal regulations, to undertake compliance effort for the Infrastructure & Mitigation Program.

2.2.1 Environmental Laws and Regulations

Environmental reviews must address all compliance mandates for the level of review the project scope requires. The HUD Environmental Review Procedures are outlined in 24 CFR Part 58. ORR will act for HUD for environmental reviews, decision-making, and actions that would otherwise apply to HUD under NEPA (National Environmental Policy Act) and other provisions of laws as specified in 24 CFR Part 58. These regulations are referenced in 24 CFR Part 58.5 and 58.6.

2.2.2 Environmental Review Process

ORR may utilize qualified professional firms or ORR staff to conduct and prepare an environmental review and public notification. Upon completion of an environmental review and any required public notices, ORR will submit the Request for Release of Funds (RROF) (HUD form 7015.15) to HUD when applicable. Following issuance of a RROF, HUD approval is required and is documented through their issuance of an Authority to Use Grant Funds (AUGF) (HUD form 7015.16). No work may be performed on a proposed activity, regardless of the funding being used for payment, before issuance of an AUGF as applicable. ORR will notify the applicable party once an activity may commence.

ORR is responsible for fully completing the required environmental review and working in good faith with federal and local partners where additional documentation may be necessary to resolve any outstanding environmental/historic preservation compliance factors. ORR will monitor the environmental review implementation and audit the Environmental Review Record (ERR). ORR must retain complete ERRs to be available for monitoring and compliance by ORR, HUD, and/or The Office of Environment and Energy (OEE).

Timing the Environmental Review with Project Activity

HUD regulations at 24 CFR 58.22 prohibit grant recipients and their partners from committing or spending HUD or non-HUD funds on any activity that could have an adverse environmental impact or limit the choice of reasonable alternatives prior to completion of an environment review once a project has become "federal." This prohibition on "choice-limiting actions" prohibits physical activity, including acquisition, rehabilitation, and construction, as well as contracting for or committing to any of these actions. The environmental review must be completed prior to any commitment of CDBG-DR funds.

2.2.3 Levels of Environmental Reviews

Once the scope of an activity has been defined the appropriate level of environmental review can be determined. Below are the potential levels of environmental reviews ORR will consider for activities:

Exempt Activities

Project activities that are exempt as defined in 24 CFR Part 58.34(a), do not have to submit an RROF and Certification, and no further approval from HUD is required for the drawdown of funds to carry out exempt activities.

Categorically Excluded from NEPA, but not subject to the related laws and authorities at 58.5 or 50.4 (CENST)

Project Activities that are categorically excluded from NEPA, not subject to the related laws and authorities at 24 CFR 58.5 and 50.4, are defined in 24 CFR Part 58.35(b). For these activities, except in extraordinary circumstances (see §58.35(b)(c)) the responsible entity does not have to publish a NOI/RROF or execute a certification and the recipient does not have to submit a RROF to HUD except in the circumstances as described in 24 CFR Part 58.35(c).

Categorically excluded from NEPA, but subject to the related laws and authorities at 58.5 or 50.4 (CEST)

Project activities that are categorically excluded from NEPA but subject to the related laws and authorities at 24 CFR 58.5 and 50.4 are defined in 24 CFR 58.35(a). For these activities, except in extraordinary circumstances (see §58.2(a)(3)) no environmental impact statement or environmental assessment and finding of no significant impact under NEPA is required. In accordance with 24 CFR 58.34(12) reviews of this level that do not require compliance with any other Federal laws and authorities cited in §58.5 convert to Exempt.

Environmental Assessment (EA)

Project activities that are not covered under a categorical exclusion or exemption (§58.34 or §58.35) must complete an Environmental Assessment per 24 CFR Part 58.36 and further detailed at §58.40.

Environmental Impact Statement (EIS)

An Environmental Impact Statement (EIS) is a detailed written statement required by section 102(2)(C) of NEPA for a proposed major Federal action significantly affecting the quality of the human environment. An EIS is required in circumstances as defined in 24 CFR 58.37 or 24 CFR 50.42.

It is not anticipated that any CDBG-DR funded projects will require an EIS review.

2.3 Davis Bacon and Related Acts

Introduction

The Davis-Bacon Act of 1931 requires that the advertised specifications for construction contracts include requirements that the minimum wages for certain classes of labor conform to prevailing wages established by the U. S. Department of Labor. Although the original Davis-Bacon Act only covers contracts in which the federal government of the United States is a party, Davis Bacon

wage rates apply to HUD programs because of subsequent legislation known as “Related Acts.” These include the U. S. Housing and Community Development Act of 1974 (“HCDA”), which extends Davis Bacon prevailing wage requirements to CDBG-DR. Section 110(a) of the HCDA provides:

All laborers and mechanics employed by contractors and subcontractors in the performance of construction work financed in whole or in part with assistance received under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5); Provided, that this section shall apply to the rehabilitation of residential property only if such property contains not less than 8 units.

As a result of the Davis-Bacon Related Acts (“DBRA”), all contracted construction work financed with CDBG-DR funding that is in excess of \$2,000 is subject to prevailing wage requirements unless it meets one of the exceptions specified in Section 110 of the HCDA.

The HCDA also extends the provisions of two additional acts related to Davis Bacon to HUD-financed programs: the Contract Work Hours and Safety Standards Act (CWHSSA) and the Copeland Anti-Kickback Act. The requirements of each will be discussed in detail below.

Applicability and Exemptions

Section 110 of the Housing and Community Development Act of 1974 (“HCDA”) extends the prevailing wage requirements of the Davis Bacon Related Acts to labor employed by contractors or subcontractors financed “in whole or in part” with CDBG-DR funds. As such, projects that are financed with other funding sources will be subject to DBRA requirements, even if only a portion of the project is funded through CDBG-DR.

Section 110 of the HCDA only covers classes of workers who are those employed by “contractors and subcontractors.” As such, employees of the grantee, otherwise known as force account labor, are exempted from the requirements of the DBRA.

Requirements

ORR will comply with all Davis Bacon and Related Acts (DBRA) requirements during the course of contractor selection and project construction. To do this, ORR will designate an employee/staff member as its Labor Standards Compliance Officer to monitor construction activity and ensure that each contractor has a designated Labor Standards Compliance Coordinator. All bid documentation and awarded contracts will contain the appropriate Davis Bacon wage decision and labor standards clauses. Contractors will be responsible for the full compliance of all employers (the contractors, subcontractors, and any lower-tier subcontractors) with labor provisions applicable to the project. ORR will maintain overall responsibility for administration and enforcement of the Federal labor standards provisions on all contracts covered by the DBRA.

2.4 Section 3

Section 3 of the Housing and Urban Development Act of 1968, as amended, requires recipients of federal grant funding to ensure that training, employment, and other economic opportunities generated by certain 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. Section 3 regulations do not mean that grantees or contractors are required to hire Section 3 residents or award contracts to Section 3 businesses.

ORR will ensure that Section 3 language is incorporated in all applicable contracting documents generated in conjunction with the use of HUD funding. ORR's Activity Program Manager (APM) for Policy and Compliance serves as a resource to assist the contractors and subcontractors with Section 3 compliance. The APM for Policy and Compliance may request additional documentation from contractors or subcontractors to ensure compliance.

Contractors must, to the greatest extent feasible, employ Section 3 residents as 30% of all direct new hires. Contractors must, to the greatest extent feasible, award at least 10% of the total dollar amount of all subsequent contracting and subcontracting opportunities to Section 3 businesses for construction projects and 3% for non-construction projects. The contractor must report its efforts to meet Section 3 requirements to the ORR Section 3 Coordinator on a quarterly basis by completing HUD form 60002. Any contractor that does not meet the Section 3 numerical goals must demonstrate why meeting the goal was not feasible.

Section 3 Business Concern is a business in the local area that is able to demonstrate one of the following within the prior six months:

- It is at least 51 percent owned and controlled by low- or very low-income persons;
- Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
- It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

A Section 3 worker is an individual residing in Section 3 local area that can document that he/she is one or more of the following:

- A public housing resident;
- A participant in a DOL/YouthBuild program;
- A member of a family that receives federal housing assistance;
- An individual who meets the HUD income limits for determining the eligibility of low- and very low- income persons for HUD-assisted housing programs within the metropolitan area or non- metropolitan county; and/or

Under the HUD-established income limit for a one-person family for the jurisdiction.

2.5 Uniform Relocation Act

In part, the Uniform Relocation Act (URA) was passed by Congress in 1970, as amended, to ensure homeowners whose real property was acquired for Federal and federally-assisted projects were treated fairly and consistently, and to ensure persons displaced as a result of such projects do not suffer disproportionate injuries. As such, relocation assistance is provided to displaced persons, including tenants who were living in a property at the time of the Disaster, to lessen the financial impact of displacement and to ensure individuals/families are living in decent, safe, and sanitary housing.

As required by Federal Register, 88 FR 32046 (2023), Volusia County must describe how it shall minimize the displacement of tenants and assist any tenants that may or have been displaced.

Thus, the purpose of this policy is to establish policies and procedures to identify tenants whose primary residence, prior or post the Disaster, was or is in a property that is to receive benefit from the Single Family Repair and Replacement Program, to document those tenants, and to ensure outreach has been made to tenants to safeguard the ideals and requirements of URA.

Key Definitions:

- Comparable Replacement Dwelling – a functionally equivalent dwelling that performs the same function and utility and has the principal features of the previous dwelling. However, it does not have to possess every feature of the displacement dwelling.³
- Disaster – the Hurricane Ian disaster that took place in Volusia County in September 2022.
- Displaced Person⁴ – any person who moves from real property or moves his or her personal property from real property as a direct result of rehabilitation or demolition for a project. A person is not displaced if:
 - a. A person moves before the start of rehabilitation unless Volusia County determines that the person was displaced as a direct result of the project.
 - b. A person who initially begins to occupy the property after the date of its rehabilitation for the project.
 - c. A person who has occupied the property to obtain assistance under URA.
 - d. A person who is not required to relocate permanently as a direct result of a project.
 - e. A person who, after receiving a notice of relocation eligibility, is notified in writing that he or she will not be displaced for a project.
 - f. A person who retains the right of use and occupancy of the real property for life following its rehabilitation by Volusia County.
 - g. A person who is determined to be in unlawful occupancy prior to or after the start of rehabilitation, or a person who has been evicted for cause, under applicable law.
 - h. A person who is not lawfully present in the United States.
- i. Tenants are required to move as a result of the sale of their property to a person using down payment assistance provided under the American Dream Down Payment Initiative.
- Property – includes a residential dwelling that includes a single-family home, condominium, duplex, mobile home, or any place where a person dwells that is connected to utilities.⁵
- Tenant – a renter who pays fair market rent and obtained the rental/lease as a result of an arm's length transaction,⁶ therefore both parties entered the agreement willingly and without force or pressure from either party.

Applicable Laws and Regulations

24 CFR 570.606 and 49 CFR part 24 - The specific Codes of Federal Regulations for Community Planning and Development Programs, and Community Development Block Grants, which are applicable to this policy.

Procedures to Identify & Document Tenants in Single-Family Households

Potential applicability of URA will be identified during the eligibility review, during which time the applicant will be asked to disclose all necessary tenant information.

If the applicant did have a tenant in the property, ORR will contact the tenant to confirm the date of their residence on the property and collect supporting documentation such a lease/rental agreement. ORR will keep a detailed record of all communication and store any collected documentation in the system of record. Without regard to race, color, religion, sex, age, handicap, familial status, or national origin, and in accordance to 49 CFR 24, Volusia County must offer the following services and/or provide applicable reimbursements, where the tenant has already obtained one or more of the following:

- General Information Notice. As soon as feasible, the tenant must receive a written description of the relocation program and his or her rights. The notice must inform the tenant of the following:
 - a. He or she may be displaced for the project and generally describe the relocation payment(s) for which the tenant may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s).
 - b. He or she will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the tenant successfully relocate.
 - c. He or she will not be required to move without at least 90 days advance written notice;
 - d. Any tenant cannot be required to move permanently unless at least one comparable replacement dwelling has been made available.
 - e. Any tenant who is an alien not lawfully present in the United States is ineligible for relocation advisory services and relocation payments unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child.
 - f. Describes the tenant's right to appeal Volusia County's determination as to a tenant's application for assistance for which a tenant may be eligible under this part.
- Eligibility & 90-day Notice. Eligibility for relocation assistance shall begin on the date of actual rehabilitation, as defined under the benefits agreement. After the caseworker has contacted the identified tenant and confirmed the tenant's occupancy of part of the property, Volusia County shall then promptly notify the Tenant in writing of their eligibility for applicable relocation assistance.
 - a. No lawful occupant shall be required to move unless he or she has received at least 90 days advance written notice of the earliest date by which he or she may be required to move.
 - b. The 90-day notice shall either state a specific date as the earliest date by which the occupant may be required to move or state that the occupant will receive a further notice indicating, at least 30 days in advance, the specific date by which he or she must move. If the 90-day notice is issued before a comparable replacement dwelling is made available, the notice must state clearly that the occupant will not have to move earlier than 90 days after such a dwelling is made available. – In unusual circumstances, an occupant may be required to vacate the property on less than

90 days advance written notice if Volusia County determines that a 90-day notice is impracticable, such as when the person's continued occupancy of the property would constitute a substantial danger to health or safety.

- Advisory services. A tenant must be advised of his or her rights under URA and the Federal Fair Housing Act, the general scope of the recovery project, and provided with comparable replacement dwelling, in addition to financial forms of assistance listed below, where applicable.
 - a. No tenant to be displaced shall be required to move from his or her dwelling unless at least one comparable replacement dwelling has been made available to the person. When possible, Volusia County will provide the tenant with at least three comparable options.
 - The comparable replacement dwelling is considered made available when:
 1. The tenant is informed of its location;
 2. The tenant has sufficient time to negotiate and enter into a purchase agreement or lease for the property; and
 3. Subject to reasonable safeguards, the tenant is assured of receiving the relocation assistance to which the tenant is entitled, with sufficient time to complete the purchase or lease of the property.
 - b. If the comparable replacement dwelling to be provided to a minority tenant is located in an area of minority concentration, the minority tenant must also be given, if possible, referrals to comparable and suitable decent, safe, and sanitary replacement dwellings not located in such areas.
- Forms of Assistance – All claims for relocation payment must be filed with Volusia County no later than 18 months after the date of displacement.⁷

All requests for reimbursements or relocation payments shall be supported by reasonable documentation to support expenses, such as bills, certified prices, appraisals, or other evidence of expenses. Each request will be reviewed expeditiously, and Volusia County will promptly inform the tenant of any additional documentation that is required.

All records will be kept confidential, and reports will be submitted related to its displacement activities as requested by Volusia County and/or HUD.

- Moving expenses. Volusia County shall provide payment for moving expenses as described in 81 FR 39702, which established a waiver from the standards described in 49 CFR part 24.
 - a. As per the waiver, Volusia County shall create a moving expense allowance under a schedule of allowances that is reasonable for Volusia County and considers the number of rooms in the displacement dwelling, whether the tenant owns and must move furniture and etc.
- Security deposits and credit checks. The reasonable and necessary cost of any security deposit required to rent the replacement dwelling unit, and for credit checks required to rent or purchase the replacement dwelling unit.

- a. Interim living costs. Volusia County shall reimburse a tenant for actual reasonable out-of-pocket costs incurred in connection with a displacement, including moving expenses and increased housing costs, if:
 - o The tenant must relocate temporarily because continued occupancy of the property constitutes a substantial danger to the health or safety of the person or the public; or
 - o The tenant is displaced from a “lower-income dwelling unit,” none of the comparable replacement dwelling units to which the person has been referred qualifies as a lower-income dwelling unit, and a suitable lower-income dwelling unit is scheduled to become available.
- b. Replacement housing assistance. A tenant displaced from a dwelling is entitled to a payment not to exceed \$5,250 for rental assistance or down payment assistance, if the tenant:
 - o Actually, and lawfully occupied the displacement dwelling for at the time of the Disaster or at least 90 days immediately prior to the start of rehabilitation; and
 - o Rented and occupied a decent, safe, and sanitary replacement dwelling within 1 year after the date he or she moves from the displaced property.
 - o Rental Assistance: An eligible applicant who rents a replacement property is entitled to a payment not to exceed \$5,250. The payment shall be 42 times the amount obtained by subtracting the base monthly rental for the displacement dwelling from the lesser of:
 1. The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling; or
 2. The monthly rent and estimated average monthly cost of utilities for the decent, safe, and sanitary replacement dwelling actually occupied by the tenant.
 3. The base monthly rental is the lesser of the average monthly cost for rent and utilities at the new Property or 30% of the tenant’s average monthly gross household income if you are low-income based on the HUD income limits.
 - 81 FR 39702 established a waiver to use higher than 30 percent if the tenant was paying the rent without demonstrable hardship.
 - That total monthly need, if any, is multiplied by 42, to determine the total amount the tenant will receive. This amount will be paid directly to the tenant in monthly installments or periodic payments.
 4. All or a portion of this assistance may be offered through a certificate or voucher for rental assistance (if available) provided under Section 8. If a Section 8 certificate or voucher is provided to a tenant, Volusia County must provide referrals to comparable replacement dwelling units where the owner is willing to participate in Section 8 Tenant-Based Assistance Existing Housing Program. When provided, cash assistance will generally be in installments, in accordance with 42 U.S.C. 3537c; or
 - 81 FR 39702 established a waiver that will allow an owner who is willing to participate in the tenant-based rental assistance (TBRA) housing program subsidy

(Section 8 rental voucher or certificate), to allow a displaced tenant who only meets a portion or all of the traditional requirements to participate in the TBRA program.

- Down payment Assistance. If the tenant decides to purchase a replacement property, the tenant is able to receive assistance to make a down payment equal to the amount he or she would receive if they rented a comparable replacement home (i.e., 42 times the amount obtained by subtracting the "base monthly rent" for your present home from the monthly rent and estimated average monthly utility costs for a comparable replacement home), which can be no greater than \$5,250. Down payment assistance payment will be paid in a lump sum.

3.0 Compliance

The Volusia County ORR will ensure compliance with all applicable regulations and program policies. These include, but are not limited to, federal regulations regarding recordkeeping, administrative and financial management, environmental compliance, contract compliance, conflicts of interest, Davis-Bacon labor standards, diversity and civil rights, and relocation. ORR will coordinate with relevant stakeholders to monitor performance of infrastructure projects on a quarterly basis. If necessary, ORR will provide technical assistance with program partners to ensure that regulatory and contractual requirements are met.

3.1 Construction Oversight

ORR will ensure that all contract construction is carried out in a timely manner in accordance with all contractual requirements by conducting performance monitoring of the project. In addition, ORR will monitor construction activities for compliance with all Davis Bacon and Related Acts requirements using a HUD-approved statistical sampling methodology.

3.2 Complaints

ORR staff is responsible for responding to complaints and appeals in a timely and professional manner. A complaints and appeals procedure 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).

Complaints can be sent to transform386@volusia.org or via mail at 1578 N Woodland Blvd, DeLand, FL 32720. When a complaint is received, ORR will respond to the complainant within five (5) business days where practicable. For expediency, ORR staff shall utilize telephone communication as the primary method of contact; however, email and postmarked letters will be used as necessary.

3.3 Reporting

ORR will report on the progress of infrastructure projects using a variety of methods. These include formal reporting on project activities and submission of Quarterly Progress Reports

through HUD's Disaster Recovery Grant Reporting (DRGR) system as well as informal methods such as collecting relevant project documentation and records and noting the progress on the Transform386.org website.

DRGR Reporting

ORR will utilize DRGR to track the progress of individual infrastructure projects. DRGR classifies specific grant projects by breaking them down into subcategories known as activities. Activities are grouped by national objective and are associated with individual infrastructure projects. As individual projects progress, the expenses are tracked within the activity type in DRGR.

Quarterly Progress Reports (QPRs)

QPRs will be submitted to HUD no later than 30 days after the end of each Quarter. A copy of the QPR will be uploaded to the Transform386.org website within three days of QPR approval by HUD. In addition, any Action Plan amendments will be properly reflected in DRGR the quarter in which they occur.

3.4 Project Closeout

All Infrastructure & Mitigation Program application and project files must be properly closed after the completion of the project. Prior to the closeout of completed cases, ORR will review each file to ensure that each case:

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

In order for a case to be officially closed, the review must be completed, and a Project 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.

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 five (5) years from closeout of this grant. All physical and electronic records, following closeout of this grant, will be maintained by Volusia County.

3.5 Special Case Panel

ORR will review and respond to concerns, suggestions, requests, and other issues that warrant consideration pertaining to the Infrastructure & Mitigation 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 Office of Recovery and Resiliency Director. Once the decision memorandum is signed by the ORR Director, it will be uploaded to the System of Record.

Throughout the life of the Infrastructure & Mitigation 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 Infrastructure & Mitigation Program 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.

3.6 Application Process, Scoring, and Approval

Project scoring includes:

- Reviewing the technical application for completeness;
- Making recommendations to the applicant regarding eligibility, including compliance with program guidelines and scoring criteria;
- Determining the eligibility of each project;
- Scoring and ranking all eligible projects;
- Providing a rationale for their scores by writing comments in the project scoring rubric. Comments are intended to assist applicants with future applications and should include remarks on the relative strengths and weaknesses of each application;
- Signing and dating the scoring sheets and providing them to the County for public record. Eligible applications will be evaluated on their application along with information provided by the applicant as part of the application review panel session. For local government and Volusia County agency/department applicants, the total number of possible points is 100. For designated non-profit applicants, the total number of possible points is 65.
- Each evaluation will be based on:
 - o Administrative requirements as detailed in Section 2.0
 - o Project description
 - o Budget detail, including operating and maintenance costs
 - o The applicable scoring criteria detailed in Sections 2.1 – 2.7

Review by Volusia County Council

Before approving any application for grant signing, all documentation required by the applicant and required by law or by any party for closing must be presented for review by the Infrastructure Scoring Committee prior to presentation to the County Council. The term “any party” shall include seller, buyer/applicant, mortgagee, lien holder, realtor, title company, insurer and closing agent.

All funding must be approved by the County Council. The Office of Recovery and Resiliency Director will present the Infrastructure Scoring Committee’s recommended projects and grant awards to the County Council for review and final approval. The Council will review the recommendations, provide feedback, and approve or deny recommended projects. The County Council has final authority over all grant awards. Although not required, applicants may wish to attend the County Council meeting to address questions posed by the Council during their discussions of the recommended awards.