



# Hurricane Irma Draft Action Plan Overview

## Florida Community Development Block Grant – Disaster Recovery (CDBG – DR)



April 25, 2018

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# Objective for the Action Plan Overview

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This webinar will provide:

- A summary of the feedback found for the remaining unmet needs from Hurricane Irma's impact.
- An outline of the program budget.
- An overview of the proposed programs and activities.

# CDBG-DR Key Federal Actions To Date

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- **September 2017:** Congress appropriated \$7.4 billion for disaster recovery through the CDBG-DR program nationwide.
- **November 2017:** U.S Department of Housing and Urban Development (HUD) announced Florida will receive approximately \$616 million of this original appropriation.
- **February 2018:** HUD released guidelines that must be followed to receive funding.
- **February 2018:** Congress appropriated an additional \$28 billion for disaster recovery to the CDBG program nationwide.
- **April 2018:** HUD announced \$791 million for remaining unmet needs for Hurricane Irma and to support mitigation activities.

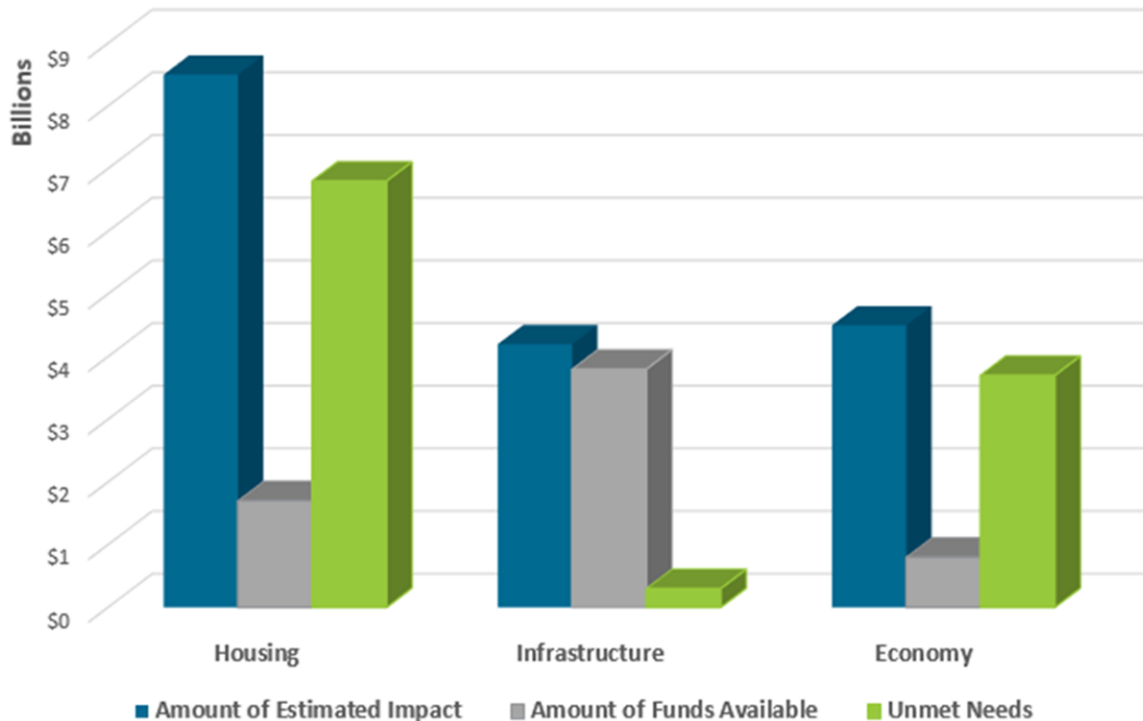
# Key Guidelines for CDBG-DR

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- Flexible funding to address community needs that remain after other state and federal assistance has been exhausted.
- The Florida Department of Economic Opportunity (DEO) is the primary grantee and will prepare the action plan for HUD.
- Both non-entitlement and entitlement communities will be eligible to participate in state programs included in the action plan.
- Funds must primarily consider and address housing unmet needs.
- Funds can also be used to address unmet economic revitalization and infrastructure needs, but in doing so, the state must:
  - Identify how housing needs will be addressed, or
  - How the proposed economic revitalization and infrastructure activities will contribute to long-term recovery and restoration of housing.

# Summary of Impact and Unmet Needs

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Summary of Impact and Unmet Needs

Summary of Impacts/Support	Housing	Infrastructure	Economy	Total
Amount of Estimated Impact	\$8,547,356,706	\$4,274,430,191	\$4,531,186,545	\$17,352,973,442
Amount of Funds Available	\$1,706,211,312	\$3,886,914,370	\$814,906,921	\$6,408,032,603
Unmet Needs	\$6,841,145,394	\$387,515,822	\$3,716,279,624	\$10,944,940,840
Percent of Total Unmet Needs	62.51%	3.54%	33.95%	100.00%

# Eligible Activities

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CDBG-DR funding can be used to address long-term recovery needs related to:

- Housing
- Infrastructure
- Economic Revitalization

# Eligible Activities: Housing

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DEO  
proposes the  
following  
programs:

- Housing Repair and Replacement Program
- Workforce Affordable Rental New Construction Program
- Land Acquisition for Workforce Affordable Rental Program
- Voluntary Home Buyout Program

# Housing Program Budget Outline

Housing Program Budget				
Program	Total Budget	MID Budget Breakdown		Min Set-Aside for Keys
		80%	20%	
Housing Repair Program	\$273,329,800	\$218,663,840	\$54,665,960	\$50,000,000
Workforce Affordable Rental New Construction Program: LIHTC	\$80,000,000	\$64,000,000	\$16,000,000	\$20,000,000
Workforce Affordable Rental New Construction Program: Small Rental Developments	\$20,000,000	\$16,000,000	\$4,000,000	\$0
Land Acquisition for Affordable Workforce Housing	\$20,000,000	\$16,000,000	\$4,000,000	\$10,000,000
Voluntary Home Buyout Program	\$75,000,000	\$60,000,000	\$15,000,000	\$10,000,000



# Housing Repair Program

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- DEO will oversee a centralized housing rehabilitation or replacement program for low- and moderate-income families
- DEO will manage and complete the construction process for the rehab or reconstruction of damaged homes on behalf of eligible applicants.
- DEO proposes the following housing assistance activities under this program:
  - Repairs to, reconstruction or replacement of housing units damaged by Hurricane Irma, which may include making the home code compliant and mitigation against future storm impacts, including elevation.
  - The completion of work to homes that have been partially repaired.
  - Repairs to, or replacement of, manufactured homes impacted by Hurricane Irma.
  - Replacement of housing units that were included in the Home Buyout Program.
  - Temporary housing assistance based on individual household needs and their participation in the Housing Repair Program.

# Workforce Affordable Rental New Construction Program

DEO proposes the following Workforce Affordable Rental New Construction Program activities under this program:

- **Low Income Housing Tax Credits**  
DEO will work in partnership with the Florida Housing Finance Corporation (FHFC) to leverage CDBG-DR funds with Low-Income Housing Tax Credits, with or without tax-exempt bond financing.
- **Small Rental Developments**  
DEO will work in partnership with FHFC to utilize stand-alone CDBG-DR funds to provide zero-interest loans to create smaller, new multi-family developments.

# Workforce Affordable Rental New Construction Program

- Creation of quality, affordable housing units to help Florida increase resiliency and alleviate the rental stock shortage caused by the storms in the most impacted areas of the state.
- CDBG-DR funds will be provided as zero-interest, non-amortizing loans (including forgivable loans) to qualified developers to leverage other sources of funds and as stand-alone financing to support development.
- Development will be new construction and may include re-development of uninhabitable dwellings.
- Any new rental housing will have an affordability period of 20 years.
- CDBG-DR funds will be awarded to eligible applicants through a competitive application process.

# Land Acquisition for Affordable Workforce Housing

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- Funding to purchase land for the development of affordable housing.
- Land acquisition for areas of the state where the scarcity of land drives up the cost and can make it difficult to develop properties that can be rented at an affordable rate for the workforce of a community.
- DEO will manage a program that will provide funding for the purchase of land when there is a formal commitment to develop affordable housing.

# Voluntary Home Buyout Program

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- State-managed buyout program that leverages Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) funding, where possible.
- Encourages risk reduction through voluntary buyout of residential property in high flood risk areas.
- Counties that are interested in participating will have two potential funding options for pursuing home buyout:
  - Leverage CDBG-DR funding as match for projects that are also eligible for the HMGP.
  - Work directly with DEO on projects located in low- and moderate-income areas to buyout residential areas in support of permanent open space supporting green infrastructure or other floodplain management systems.

# Eligible Activities: Economic Revitalization

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DEO  
proposes the  
following  
programs:

- Workforce Recovery Training Program
- Business Recovery Grant Program

# Economic Revitalization Program Budget Outline

ECONOMIC REVITALIZATION			
Program	Total Budget	MID Budget Breakdown	
		80%	20%
Recovery Workforce Training	\$20,000,000	\$16,000,000	\$4,000,000
Business Recovery Grant Program	\$60,000,000	\$48,000,000	12,000,000
PUBLIC SERVICES			
Business Assistance to new Floridians from Puerto Rico	\$6,000,000	\$4,800,000	\$1,200,000

# Recovery Workforce Training Program

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- Focused on growing the workforce needed to support long-term recovery jobs, primarily in the housing construction field.
- DEO will implement a workforce recovery training program that may include but may not be limited to the areas of:
  - Roofing
  - Masonry
  - Carpentry
  - Concrete finishers
  - Plumbing
  - HVAC (heating, ventilation and air conditioning)
  - Electricity
  - Heavy equipment operations
  - Customized training
  - On-the-Job Training (OJT)



# Business Recovery Grant Program

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- Grant program for eligible business owners who are seeking reimbursement for the cost of replacing equipment and inventory damaged by Hurricane Irma.
- Repayment of Small Business Administration (SBA) loans is not allowed under federal guidance for this funding.
- Documentation of impacts from Hurricane Irma will be required.

# Eligible Activities: Public Assistance

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DEO  
proposes the  
following  
programs:

- Business Assistance to New Floridians from Puerto Rico

# Business Assistance to New Floridians from Puerto Rico

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- Hurricane Maria left devastating impacts on the island communities of Puerto Rico, forcing many families to flee to other parts of the United States seeking shelter and new opportunities.
- DEO will implement a public assistance program for new businesses and entrepreneurs who have migrated from Puerto Rico.

This program may include:

- Business plan guidance,
- Information about specific regional markets,
- Accounting and legal assistance,
- Licensing and permitting guidance, along with
- Seminars and other forms of assistance.

# Eligible Activities: Infrastructure

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DEO  
proposes the  
following  
programs:

- Infrastructure Repair and Mitigation Program

# Infrastructure Repair and Mitigation Program

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The Federal Register Notice requires CDBG-DR recipients to consider housing needs first. DEO will focus the original CDBG-DR allocation of \$616 million on addressing remaining housing and economic development unmet needs. HUD has announced that Florida will receive an additional allocation of \$791 million and it is anticipated that a portion of this funding will go to the Infrastructure Repair and Mitigation Program.

*\*Additional guidance will be released in the federal register on how this funding can be used by states. DEO will further define this program in an amendment to this action plan, based on this guidance.*

# 14-Day Public Comment Period

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The action plan can be found at the CDBG-DR website:  
[www.floridajobs.org/CDBG-DR](http://www.floridajobs.org/CDBG-DR).

If you would like to submit a comment, please email  
[CDBG-DR@DEO.MyFlorida.com](mailto:CDBG-DR@DEO.MyFlorida.com).

## Hurricane Irma

The United States Department of Housing and Urban Development (HUD) announced that the state of Florida will receive \$616 million in funding to support long-term recovery efforts following Hurricane Irma through DEO's CDBG-DR Program. This funding is designed to address needs that remain after other assistance has been exhausted, including federal assistance as well as private insurance.

## Hurricane Irma Action Plan

- ▶ 2018 State of Florida CDBG-DR Action Plan-Draft posted for public comment on April 20, 2018
- ▶ 2018 State of Florida CDBG-DR Action Plan-Draft in Spanish posted for public comment on April 20, 2018

# Next Steps

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- **May 2018:** DEO will finalize the action plan and submit it to HUD by May 15, 2018.
- **July 2018:** DEO anticipates that HUD will approve the action plan or provide feedback to the state on required revisions.
- **August 2018:** DEO anticipates receiving a grant agreement from HUD, which will be expedited and returned to HUD for execution.
- **Fall 2018:** DEO will work with eligible entities to implement the programs that were developed in the action plan.



## Thank You.

If you have questions or comments about this presentation or need to discuss a future project; please contact our office.



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