

**Rick Scott**  
GOVERNOR



**Jesse Panuccio**  
EXECUTIVE DIRECTOR

August 13, 2013

Mr. Gary A. Causey, Director  
Community Planning and Development Division  
U. S. Department of Housing and Urban Development  
Charles Bennett Federal Building  
400 West Bay Street  
Suite 1015  
Jacksonville, Florida 32202-4439

Dear Mr. Causey:

On behalf of the State of Florida, the Department is pleased to submit the Substantial Amendment to the 2013 Annual Action Plan. The Plan covers the Emergency Solutions Grant, the Housing Opportunities for Persons with AIDS Grant, the HOME Investment Partnership Grant, and the Florida Small Cities Community Development Block Grant. The Plan has also been electronically transmitted to Ms. Kathy White.

These grants provide valuable services to communities, particularly to segments of the state's low and moderate income population. Our federal-state partnership plays an important part in the delivery of services to Floridians, and we appreciate the assistance that your office provides to our programs.

Please do not hesitate to call Bob Dennis at 850-717-8445 or contact him by email at [bob.dennis@deo.myflorida.com](mailto:bob.dennis@deo.myflorida.com) if you have any questions or need additional information.

Sincerely,

Chad Poppell  
Chief of Staff

CP/gkw

Enclosures:

3 Copies of the Substantial Amendment



**Rick Scott**  
**Governor**

**State of Florida Annual Action Plan**  
**for**  
**Programs Funded by the U.S. Department of Housing**  
**and Urban Development**  
**Federal Fiscal Year 2013**

**SUBSTANTIAL AMENDMENT**



**Jessie Panuccio**  
**Executive Director**

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**Telephone 850-717-8405**

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## **Florida Department of Economic Opportunity**

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# **ANNUAL ACTION PLAN**

## **Executive Summary**

The One-Year Action Plan or Annual Action Plan is a document submitted to the U. S. Department of Housing and Urban Development (HUD) annually which describes the method used by the state of Florida to distribute HUD funds. It also contains information on priorities to be addressed and program objectives. The Plan covers one state fiscal year and one allocation of federal funding.

The Annual Action Plan for Federal Fiscal Year 2013 (FFY 2013) outlines application and administrative requirements of the Florida Small Cities Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), HOME Investment Partnerships (HOME), and Housing Opportunities for Persons with AIDS (HOPWA) programs. The Plan covers a one-year period from July 1, 2013 to June 30, 2014.

During the 2013 fiscal year, the Small Cities CDBG Program will receive \$24,214,007 for housing rehabilitation, neighborhood and commercial area improvements, and economic development activities. The ESG Program will receive \$3,920,895 to provide services to homeless persons, and the HOPWA Program will receive \$3,536,718 to help families with housing expenses so that they are not displaced due to illness. The HOME Program will receive \$12,533,518 to make home ownership a reality for many Floridians and to provide rental housing.

The state followed its Citizen Participation Plan during the development of the 2013 Plan. A 15-day notice was published in the Florida Administrative Register announcing the initial Work Group Meeting on March 20, 2013, and for the public hearing on April 11, 2013. The notice was also posted to each Department's website and emailed to eligible applicants and interested parties. A public hearing on the draft was held on April 11, 2013, at the Department of Health by the Department of Economic Opportunity, Department of Health, Department of Children and Families, and the Florida Housing Finance Corporation. A 30-day comment period was provided so interested parties could comment on the proposed Action Plan. The comment period began on April 11, 2013, and ended on May 11, 2013. Upon receiving the actual funding allocation amounts for each program from HUD on June 10, 2013, the Work Group members were notified of those allocations and requests were made to submit revisions to DEO by June 14. Since there were slight modifications to the method of distribution, DEO determined that in the interest of full citizen participation that a public hearing notice should be published by June 17, 2013, a 30-day comment period be initiated the next day, and the public hearing scheduled on July 18, 2013, to accept all questions and comments. The Citizen Participation Plan can be found in Appendix 2.

Each of the four programs covered by the Action Plan is funded by HUD, but is administered by separate state agencies. Therefore, each agency prepared the portion of the Action Plan that relates to the program it administers. The narratives include performance measures and other program-specific information.

The focus of Florida’s housing and community development goals are:

- ✓ creating economic opportunities that create or retain jobs
- ✓ building or improving infrastructure and public facilities within local communities
- ✓ affordable housing, including addressing the needs of persons with HIV/AIDS and the homeless

Each year, these programs provide housing opportunities by building new, affordable housing for low and moderate income (LMI) residents and rehabilitating deteriorating housing units. Housing assistance is also provided to persons with HIV/AIDS and homeless persons are served by funding to continue services and to build or expand the facilities. The CDBG program also revitalizes neighborhoods by improving or building new infrastructure (such as water and sewer systems) and public facilities. In addition to housing and infrastructure, the CDBG program has an economic development component that provides funding to local governments to provide infrastructure needed for new business or business expansions. And, all HUD-funded programs put people to work in local communities.

Performance can be measured by the accomplishments and beneficiaries served. The state always receives more requests for assistance than can be provided.

The state reports on its performance in HUD’s online reporting system as well as in a written performance report. The performance report clearly indicates effective administration of the programs. In addition, each program tracks accomplishments and beneficiaries in state agency reporting systems.

**Sources of Funds**

As previously mentioned, funding for the Florida Small Cities CDBG, ESG, HOME, and HOPWA programs is provided by the U.S. Department of Housing and Urban Development (HUD). For FFY 2013, the State will receive a total of \$44,205,138.

Florida Small Cities Community Development Block Grant (CDBG)	\$24,214,007
Emergency Solutions Grant (ESG)	\$3,920,895
HOME Investment Partnerships (HOME)	\$12,533,518
Housing Opportunities for Persons with AIDS (HOPWA)	\$3,536,718

For additional information, you may contact the following offices:

- Department of Economic Opportunity 850/717-8405 (Small Cities CDBG Program)
- Department of Children and Families 850/922-9850 (ESG Program)
- Florida Housing Finance Corporation 850/488-4197 (HOME Program)
- Department of Health 850/245-4444 (HOPWA Program)

## **Florida Small Cities Community Development Block Grant (CDBG) Program**

The Florida Small Cities CDBG Program is administered in accordance with Sections 290.0401-290.048, Florida Statutes; Chapter 73C-23, Florida Administrative Code (formerly 9B-43), and 24 CFR 570, Subpart I. These laws and regulations state the objectives of the program and the activities that are eligible for funding. They also provide administrative guidance relating to the application for, and administration of, CDBG projects. Additional statutes, rules and regulations also affect how activities are carried out under the program.

### **Categories of Funding and National Objective**

The CDBG Program is composed of four major components: Economic Development (ED), Commercial Revitalization (CR), Housing Rehabilitation (HR), and Neighborhood Revitalization (NR). Funds will not be available for new Planning and Design Specifications grants in FFY 2013; however, construction funding for previously awarded planning grants will be made available from deobligated funds. (Deobligated funds are funds left over from grants that close out at amounts lower than the original funding.) Local governments applying for CDBG funds must consider national and state goals and objectives when developing applications for funding. Applications may reflect more than one activity, but each activity must meet at least one of the following three national objectives:

1. benefit low- and moderate-income persons
2. aid in the prevention or elimination of slums or blight
3. address community development needs having a particular urgency, because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available

Communities are encouraged to submit applications for activities for which no other funds are available and to leverage other funds if possible. Local governments that participate in the Small Cities CDBG Program are also encouraged to attend application and implementation workshops. Staff makes every effort to ensure that local governments have all the information they need to prepare a grant application that meets the required criteria and effectively administer grants. The CDBG FFY 2013 application cycle will open following revisions currently being proposed in Chapter 73C-23, FAC. Staff provides ongoing technical assistance during the administration of grants and conducts webinars or workshops on CDBG issues as needed. In addition, eligible applicants and grant recipients are provided with materials that assist with the application and grant administration process.

Although not specifically identified in this Action Plan, the Florida Small Cities CDBG Program is administered in accordance with federal and state rules and regulations that include, but are not limited to, accounting, audits, building codes, conflicts of interests, the environment, fair housing, civil rights, labor standards, procurement, and lead-based paint. Information on each of these topics is made available via the Department's website, HUD's website, and in written materials provided to subgrantees.

### **Sources of Funds**

The Florida Small Cities CDBG Program relies on HUD funds to carry out the activities in the cities and counties it serves. Although no match is required, local governments are encouraged to use funding from other sources (i.e., local general revenue, other federal and state loan and grant funds, and private commitments) to make a greater impact in the community. The Department does not know the extent of the other funds committed to a project until applications from eligible jurisdictions are received and approved for funding. The competitive scoring process favors applications that make use of other funds.

### **Fund Distribution, Allocation, Priorities and Specific Objectives**

The following chart reflects the planned distribution of FFY 2013 CDBG funds.

<b>2013 Allocation</b>		<b>\$24,214,007</b>
State Administration (unmatched)		\$100,000
State Administration	2%	\$484,280
(matched with GR)		
Emergency Set-Aside	2.5%	\$605,350
Training/TA	1%	\$242,140
<b>TOTAL PASS THROUGH</b>		<b>\$22,782,237</b>
Neighborhood Revitalization	39.8%	\$9,067,330
Housing Rehabilitation	18%	\$4,100,803
Economic Development	39%	\$8,885,073
Commercial Revitalization	3.2%	\$729,031
<i>Amounts are rounded to the nearest dollar.</i>		

These percentages place an emphasis, or priority, on the types of projects that will be funded. Should eligible requests for funds be insufficient to fully utilize all funds allocated to a category, the balance of the funds in that category may be reallocated to the category receiving the greatest number of applications or to economic development activities. Grant category funding levels may also be increased and/or decreased by reallocated funds. (Please see the section on CDBG Program Income and Deobligated Funds.)

### **Annual Objectives and Outcome Measures**

Performance objectives for the communities served by the Florida Small Cities CDBG Program are entered into HUD's Integrated Disbursement Information System (IDIS) when awards are made, and final accomplishments and beneficiaries are reported when the project is completed. The composite objectives of subgrantees comprise the state's overall objectives.

The Florida Small Cities CDBG Program will address three primary objectives with its FFY 2013 allocation:

1. Creating economic opportunities
2. Creating a suitable living environment
3. Providing decent housing

These objectives will result in three major outcomes:

1. Improving availability or accessibility of units or services
2. Improving affordability, not just of housing but also of other services
3. Improving sustainability by promoting viable communities

Until applications are scored and funded, the Department cannot adequately outline performance objectives since community needs are evidenced by the applications submitted for funding.

All activities funded with FFY 2013 CDBG funds will meet one of the following performance objectives:

### **Economic Development**

Performance Measure: Creating economic opportunities

Outcomes: Improving availability or accessibility of units or services

Economic development projects must create or retain jobs for low and moderate income households. The activities stimulate the economy since businesses are retained or brought into a community as a result of the activities. Outcome measures may include construction or expansion to infrastructure to allow a business to locate or expand in a community.

### **Commercial Revitalization**

Performance Measure: Creating economic opportunities

Outcomes: Improving sustainability by promoting viable communities

Commercial revitalization projects target declining commercial areas, particularly those with slum and blight. The anticipated outcome is that existing businesses will remain in the commercial area and new business will be attracted to the area. This results in economic viability that positively impacts the community. Outcome measures may include, but are not limited to, improvements to building facades, parking, sidewalks, and streets.

### **Housing Rehabilitation**

Performance Measure: Providing decent housing

Outcomes: Improving sustainability by promoting viable communities

Outcome measures include housing units rehabilitated or replaced as well as households permanently or temporarily relocated.

### **Neighborhood Revitalization**

Performance Measure: Creating a suitable living environment

Outcomes: Improving availability or accessibility of units or services

Improving sustainability by promoting viable communities

Neighborhood revitalization projects make improvements to declining residential areas or provide new or improved infrastructure and public facilities. Outcome measures may include construction or improvements to infrastructure (e.g., water and sewer systems, flood and drainage systems, street paving, neighborhood centers, and parks).

### **Emergency Set-Aside**

Performance Measure: Creating a suitable living environment

Outcomes: Improving sustainability by promoting viable communities

Emergency Set-Aside funds are used to address situations within communities that have resulted in the Governor declaring a state of emergency. The funds are typically used for recovery from weather events that cause significant devastation. Outcome measures may include rehabilitation or improvements and may address housing, infrastructure, public facilities, businesses, or commercial areas.

### **Administration, Planning and Technical Assistance**

The state, as well as its subgrantees, cannot expend more than 20% of the aggregate amount of the annual grant for planning, management and administrative costs. The Department will use one percent of its 2013 funding for training and technical assistance. In many cases, planning activities that support CDBG activities enable a local government to more efficiently and effectively administer grant funds.

### **Grant Ceilings**

Florida sets grant ceilings that correspond to the low- and moderate-income population of the community. Population groupings are based on HUD modified census figures summarizing low- and moderate-income population.

<b>LMI Population</b>	<b>Grant Ceiling</b>
1-499	\$600,000
500-1,249	\$650,000
1,250-3,999	\$700,000
4,000-10,499	\$750,000
10,500 and above	\$750,000

### **Federal Fiscal Year 2013 Funding Cycle**

Notices relating to the application funding cycle will be published in the Florida Administrative Register, emailed to eligible local governments and interested parties, and posted to the Department's website. It is anticipated that the FFY 2013 funding cycle for Commercial Revitalization Economic Development, Housing Rehabilitation, and Neighborhood Revitalization will open when the Department completes revisions to Chapter 73C-23, FAC. Applications will be competitively scored, and site visits will be made to each community within the fundable range.

Economic Development (ED) applications are accepted throughout the year. Applications received during the cycle are scored and ranked. If funds remain after the cycle closes, applications are accepted and awarded on a first-come basis. When all ED funds have been awarded, remaining applications are put on a waiting list. If deobligated funds become available, they can be used to fund ED projects on the waiting list.

## **FFY 2013 Small Cities CDBG Eligible Communities**

The Florida Small Cities CDBG Program serves small and rural communities throughout the state. Funding is competitive, and there are no “targeted” areas. The following communities are eligible to apply to participate in the Small Cities CDBG Program during the FFY 2013 funding cycle:

Alachua	Carrabelle	Fanning Springs
Alachua County	Caryville	Fellsmere
Alford	Cedar Key	Fernandina Beach
Altha	Center Hill	Flagler Beach
Apalachicola	Century	Flagler County
Apopka	Charlotte County	Florida City
Arcadia	Chattahoochee	Fort Meade
Archer	Chiefland	Fort White
Avon Park	Chipley	Franklin County
Baker County	Cinco Bayou	Freeport
Baldwin	Citrus County	Frostproof
Bascom	Clay County	Fruitland Park
Bay County	Clermont	Gadsden County
Bay Lake	Clewiston	Gilchrist County
Bell	Coleman	Glades County
Belle Isle	Columbia County	Glen St. Mary
Belleair Shores	Cottdale	Graceville
Belleview	Crescent City	Grand Ridge
Beverly Beach	Crestview	Grant-Valkaria
Blountstown	Cross City	Green Cove Springs
Bonifay	Crystal River	Greensboro
Bowling Green	Cutler Bay	Greenville
Bradford County	Dade City	Greenwood
Branford	Davenport	Gretna
Bristol	DeFuniak Springs	Groveland
Bronson	DeSoto County	Gulf Breeze
Brooker	Destin	Gulf County
Brooksville	Dixie County	Haines City
Bunnell	Dunnellon	Hamilton County
Bushnell	Eatonville	Hampton
Calhoun County	Ebro	Hardee County
Callahan	Edgewood	Hastings
Callaway	Esto	Havana
Campbellton	Eustis	Hawthorne
Cape Canaveral	Everglades	Hendry County

Hernando County  
High Springs  
Highland Beach  
Highland Park  
Highlands County  
Hilliard  
Holmes County  
Horseshoe Beach  
Indian River County  
Indian River Shores  
Inglis  
Interlachen  
Inverness  
Islamorada  
Jackson County  
Jacob  
Jasper  
Jay  
Jefferson County  
Jennings  
Jupiter Island  
Key Colony Beach  
Key West  
Keystone Heights  
LaBelle  
LaCrosse  
Lafayette County  
Lady Lake  
Lake Alfred  
Lake Buena Vista  
Lake Butler  
Lake City  
Lake Hamilton  
Lake Placid  
Lake Wales  
Laurel Hill  
Lawtey  
Layton  
Lee  
Leesburg  
Leon County

Levy County  
Liberty County  
Live Oak  
Lynn Haven  
Macclenny  
Madison  
Madison County  
Malone  
Marathon  
Marianna  
Marineland  
Martin County  
Mary Esther  
Mascotte  
Mayo  
McIntosh  
Melbourne Beach  
Mexico Beach  
Micanopy  
Midway  
Milton  
Monroe County  
Monticello  
Moore Haven  
Mount Dora  
Nassau County  
Newberry  
Niceville  
Noma  
Oak Hill  
Oakland  
Ocean Breeze Park  
Ocean Ridge  
Okaloosa County  
Okeechobee  
Okeechobee County  
Orange Park  
Orchid  
Otter Creek  
Palatka  
Palmetto

Panama City Beach  
Parker  
Paxton  
Penney Farms  
Perry  
Polk City  
Pomona Park  
Ponce de Leon  
Ponce Inlet  
Port St. Joe  
Putnam County  
Quincy  
Raiford  
Reddick  
Santa Rosa County  
Sebastian  
Sebring  
Sewall's Point  
Shalimar  
Sneads  
Sopchoppy  
Springfield  
St. Augustine  
St. Augustine Beach  
St. Johns County  
St. Lucie  
St. Lucie County  
St. Marks  
Starke  
Stuart  
Sumter County  
Suwannee County  
Taylor County  
Trenton  
Umatilla  
Union County  
Valparaiso  
Vernon  
Vero Beach  
Wakulla County  
Waldo

Walton County	West Melbourne	Winter Garden
Washington County	Westville	Worthington Springs
Wauchula	Wewahitchka	Yankeetown
Wausau	White Springs	Zephyrhills
Webster	Wildwood	Zolfo Spring
Weeki Wachee	Williston	
Welaka	Windermere	

### **National Objective and Overall Benefit**

Because the Small Cities CDBG Program is a competitive program potentially serving 247 local governments, no specific area can be targeted for funding. However, overall, 70% of the funds provide benefit low- and moderate-income households. Also, the Department requires that the low- and moderate-income (LMI) population of each service area be 51% or more. The competitive scoring process places an emphasis on serving LMI residents and ensures that funds target diverse neighborhoods that are primarily low- and moderate-income areas.

## **GRANT CATEGORIES**

### **Economic Development**

There are several objectives associated with the Economic Development (ED) category:

1. promote investment of private capital
2. retain local economic enterprises
3. provide long-term jobs with growth potential, primarily for very low-, low- and moderate-income households

Activities that achieve this objective include:

- acquisition of real property
- acquisition, construction or rehabilitation of commercial and industrial buildings and structures
- funding for local governments to provide loans for the purchase of capitalized machinery and equipment with a useful life of at least five years
- energy conservation improvement designed to encourage the efficient use of energy resources
- public, commercial or industrial real property or infrastructure improvements, including railroad spurs or similar extensions, tied to a specific project in a public or private easement
- activities to remove barriers that restrict access for elderly or disabled to publicly owned or privately owned buildings, facilities, and improvements; and
- activities designed to provide job training and placement and/or other employment support services on behalf of the participating party as outlined in 24 CFR 570.482(d)(2)

An ED project may involve a single activity, such as the installation or construction of public infrastructure or the provision of assistance to a private for-profit business or non-profit organization for construction or expansion, or several activities, all of which facilitate the expansion of employment opportunities, primarily for very low-, low- and moderate-income persons.

Eligible local governments may apply up to three times in any annual funding cycle for a grant under the ED category. However, local governments with an open contract whose activities are on time may receive no more than one additional ED grant in each fiscal year. Contract performance is considered “on time” for open subgrants that have received an agreement period extension of less than twelve months. Performance is on schedule when expenditures and activity work plans stated in an award agreement have been met or surpassed.

Governor Rick Scott recognizes how Floridians have been impacted by a declining economy, particularly as related to job loss, and proposes innovative measures that will assist the state in becoming the nation’s top performing economy and the world’s best place to do business. The Department of Economic Opportunity, created by the Florida Legislature in 2011, adopted the following mission statement that has become the mission of programs under the umbrella of the new agency:

“To promote economic prosperity for all Floridians and businesses through successful workforce, community, and economic development strategies.”

Several guiding principles have been adopted to assist in decision-making within the agency. Although these principles address statewide initiatives, they are also useful in determining how federal funds can target the needs of the economy.

1. Be in a state of readiness to support economic development projects, capital investment and infrastructure opportunities that advance Florida in achieving its vision.
2. Be effectively and efficiently responsive to the global business climate.
3. Make data-driven decisions and set credible benchmarks.
4. Deliver successful, strategic, and clearly articulated performance.

The Governor, working with the Department, has established several goals that set the agenda for economic recovery in our state and as a force in the global marketplace.

1. Increase Florida's global competitiveness as a destination for business, capital, talent, innovation, and entrepreneurship.
2. Promote Florida as the world destination of choice for business and industry.

3. Facilitate business development through delivery of world class customer service.

In order to make this vision a reality, state and local programs, as well as private industry, must function collaboratively. The Florida Small Cities CDBG Program is a part of the plan for addressing housing, community and economic development needs in small, rural cities and counties throughout the state. The Department recognizes that without decent, affordable housing and infrastructure, businesses may not choose Florida as a destination.

Although unemployment rates are declining, currently 10 counties have an unemployment rate at 10% or greater. The Small Cities CDBG Program serves at least one community within each of those counties. In addition, 13 counties have an unemployment rate of 9%-9.9%, and the Small Cities CDBG Program serves at least one community in 11 of these counties.

<b>MARCH 2013</b>				
<b>COUNTY</b>	<b>LABOR</b>	<b>EMPLOYMENT</b>	<b>UNEMPLOYMENT</b>	
			<b>LEVEL</b>	<b>RATE (%)</b>
ALACHUA	130,424.00	121,830.00	8,594.00	6.6
BAKER	12,454.00	11,379.00	1,075.00	8.6
BAY	90,874.00	83,475.00	7,399.00	8.1
BRADFORD	12,402.00	11,489.00	913.00	7.4
<i>BREVARD</i>	<i>265,107.00</i>	<i>240,032.00</i>	<i>25,075.00</i>	<i>9.5</i>
BROWARD	987,286.00	913,325.00	73,961.00	7.5
CALHOUN	5,774.00	5,303.00	471.00	8.2
<i>CHARLOTTE</i>	<i>69,277.00</i>	<i>63,056.00</i>	<i>6,221.00</i>	<i>9.0</i>
<b>CITRUS</b>	<b>55,534.00</b>	<b>49,948.00</b>	<b>5,586.00</b>	<b>10.1</b>
CLAY	96,503.00	89,107.00	7,396.00	7.7
COLLIER	152,565.00	140,650.00	11,915.00	7.8
COLUMBIA	31,553.00	28,995.00	2,558.00	8.1
DESOTO	15,316.00	14,073.00	1,243.00	8.1
<b>DIXIE</b>	<b>5,788.00</b>	<b>5,185.00</b>	<b>603.00</b>	<b>10.4</b>
DUVAL	442,780.00	404,062.00	38,718.00	8.7
ESCAMBIA	136,919.00	125,668.00	11,251.00	8.2
<b>FLAGLER</b>	<b>33,321.00</b>	<b>29,260.00</b>	<b>4,061.00</b>	<b>12.2</b>
FRANKLIN	5,561.00	5,193.00	368.00	6.6
GADSDEN	20,174.00	18,399.00	1,775.00	8.8
GILCHRIST	7,468.00	6,886.00	582.00	7.8

GLADES	5,143.00	4,701.00	442.00	8.6
GULF	6,044.00	5,531.00	513.00	8.5
<i>HAMILTON</i>	<i>4,931.00</i>	<i>4,442.00</i>	<i>489.00</i>	<i>9.9</i>
HARDEE	12,208.00	11,257.00	951.00	7.8
<b>MARCH 2013</b>				
COUNTY	LABOR	EMPLOYMENT	UNEMPLOYMENT	
			LEVEL	RATE (%)
<b>HENDRY</b>	<b>18,434.00</b>	<b>16,434.00</b>	<b>2,000.00</b>	<b>10.8</b>
<b>HERNANDO</b>	<b>62,600.00</b>	<b>55,537.00</b>	<b>7,063.00</b>	<b>11.3</b>
HIGHLANDS	45,615.00	41,926.00	3,689.00	8.1
HILLSBOROUGH	610,665.00	558,816.00	51,849.00	8.5
HOLMES	8,787.00	8,163.00	624.00	7.1
<i>INDIAN RIVER</i>	<i>65,286.00</i>	<i>58,994.00</i>	<i>6,292.00</i>	<i>9.6</i>
JACKSON	22,289.00	20,693.00	1,596.00	7.2
JEFFERSON	6,846.00	6,295.00	551.00	8.0
LAFAYETTE	3,183.00	2,965.00	218.00	6.8
<i>LAKE</i>	<i>126,567.00</i>	<i>114,973.00</i>	<i>11,594.00</i>	<i>9.2</i>
LEE	281,419.00	256,284.00	25,135.00	8.9
LEON	149,747.00	139,804.00	9,943.00	6.6
<i>LEVY</i>	<i>16,831.00</i>	<i>15,257.00</i>	<i>1,574.00</i>	<i>9.4</i>
LIBERTY	3,214.00	2,987.00	227.00	7.1
<b>MADISON</b>	<b>7,136.00</b>	<b>6,416.00</b>	<b>720.00</b>	<b>10.1</b>
MANATEE	139,751.00	127,663.00	12,088.00	8.6
<b>MARION</b>	<b>131,382.00</b>	<b>117,864.00</b>	<b>13,518.00</b>	<b>10.3</b>
MARTIN	62,954.00	57,416.00	5,538.00	8.8
<i>MIAMI-DADE</i>	<i>1,287,840.00</i>	<i>1,172,137.00</i>	<i>115,703.00</i>	<i>9.0</i>
MONROE	47,616.00	45,204.00	2,412.00	5.1
NASSAU	37,099.00	34,198.00	2,901.00	7.8
OKALOOSA	99,094.00	93,049.00	6,045.00	6.1
<i>OKEECHOBEE</i>	<i>19,144.00</i>	<i>17,372.00</i>	<i>1,772.00</i>	<i>9.3</i>
ORANGE	615,944.00	563,355.00	52,589.00	8.5
<i>OSCEOLA</i>	<i>135,141.00</i>	<i>122,389.00</i>	<i>12,752.00</i>	<i>9.4</i>
PALM BEACH	618,888.00	564,620.00	54,268.00	8.8
<b>PASCO</b>	<b>191,992.00</b>	<b>172,544.00</b>	<b>19,448.00</b>	<b>10.1</b>

PINELLAS	441,733.00	403,611.00	38,122.00	8.6
POLK	271,102.00	245,248.00	25,854.00	9.5
<b>PUTNAM</b>	<b>32,014.00</b>	<b>28,623.00</b>	<b>3,391.00</b>	<b>10.6</b>
ST. JOHNS	97,930.00	90,935.00	6,995.00	7.1
<b>MARCH 2013</b>				
COUNTY	LABOR	EMPLOYMENT	UNEMPLOYMENT	
			LEVEL	RATE (%)
<b>ST. LUCIE</b>	<b>122,635.00</b>	<b>109,306.00</b>	<b>13,329.00</b>	<b>10.9</b>
SANTA ROSA	72,129.00	66,056.00	6,073.00	8.4
SARASOTA	161,259.00	147,215.00	14,044.00	8.7
SEMINOLE	236,290.00	217,492.00	18,798.00	8.0
SUMTER	37,104.00	34,458.00	2,646.00	7.1
SUWANNEE	19,258.00	17,808.00	1,450.00	7.5
TAYLOR	9,231.00	8,386.00	845.00	9.2
UNION	5,386.00	5,015.00	371.00	6.9
VOLUSIA	248,894.00	226,362.00	22,532.00	9.1
WAKULLA	15,473.00	14,337.00	1,136.00	7.3
WALTON	32,226.00	30,398.00	1,828.00	5.7
WASHINGTON	10,123.00	9,174.00	949.00	9.4

To assist local governments to implement job creation activities, the Department has allocated 39% of the 2013 CDBG allocation for economic development grants. Recently, there has been more interest in ED projects and this interest is expected to be enhanced now that the CDBG program is within the Department of Economic Opportunity. However, should the Department find that the funds cannot be used for economic development grants, they will be reallocated to other categories in order to meet HUD's requirement that the funds be obligated within 15 months.

### **Commercial Revitalization**

The objective of the Commercial Revitalization category is to revitalize commercial areas that are showing signs of decline by addressing problems that cause deterioration or decline. Activities that achieve this objective include, but are not limited to:

- installation or reconstruction of streets, utilities, parks, playgrounds, public spaces, public parking facilities, pedestrian malls, and other necessary public improvements
- selling, leasing, or otherwise making available land in commercial areas for public use

- correction of architectural barriers to handicap access to ensure accessibility for disabled persons
- carrying out plans for a program of voluntary or compulsory repair and rehabilitation of building facades or other exterior improvements and repair of code violations

All activities in this category must assist the local government in achieving the objectives of its community redevelopment plan. A proposal under the Commercial Revitalization category may involve a single type of activity, such as rehabilitation of commercial facades, or several activities designed to address various aspects of the local government's community redevelopment plan.

### **Housing Rehabilitation**

The objective of the Housing component of the CDBG Program is to improve housing conditions and expand housing opportunities for very low-, low- and moderate-income (LMI) persons. Activities that achieve this objective include:

- rehabilitation of housing or publicly owned or acquired properties
- demolition of dilapidated housing and the relocation of residents to replacement housing
- code enforcement
- weatherization and energy-efficiency improvements
- installation of wells or septic tanks where water or sewer service is unavailable
- mitigation of future natural disaster hazards in housing
- providing water and sewer hookups to homes being served by new infrastructure.

In the Housing Rehabilitation category, complementary activities are water and sewer hookup activities to provide service to units being rehabilitated or providing rehabilitation to the kitchen and/or bathroom plumbing so houses can receive water and/or sewer hook-ups.

Housing rehabilitation keeps affordable housing owned or occupied by LMI persons within the community. Substandard conditions can be addressed using CDBG Housing funds. Communities that do not have the capacity to undertake large scale affordable housing projects are able to maintain the stock of affordable housing by using CDBG and state housing funds for rehabilitation and replacement.

### **Neighborhood Revitalization**

The objective of the Neighborhood Revitalization (NR) funding category is to revitalize declining neighborhoods and improve infrastructure by addressing the problems that influence neighborhood vitality. A Neighborhood Revitalization project may involve a single activity, such as street paving, or several different kinds of activities, designed to meet a particular community's needs. Activities which achieve this objective include:

- improvements to deteriorating infrastructure (such as roads, water, sewer, and drainage

facilities)

- construction or rehabilitation of disabled accessible facilities and the removal of architectural barriers
- construction of roads and drainage facilities
- construction or rehabilitation of neighborhood facilities which provide health, social, recreational, or other community services for a neighborhood

Addressing water and sewer needs continues to be a high priority for small local governments in Florida. Without CDBG funding, these local governments could not make needed improvements or extend existing systems.

In the NR category, complementary activities for a housing unit are limited to rehabilitation of units to construct bathrooms where no bathrooms exist or to make plumbing repairs to meet local code prior to being hooked up to a sewer or water system.

### **Emergency Set-Aside Funding**

Applications for Emergency Set-Aside funds are accepted from eligible applicants in accordance with the following criteria:

1. The maximum amount of Emergency Set-Aside funds available from each Federal Fiscal Year's allocation is five percent of the total allocation and is available from April 1 of the year for which they are allocated through the third quarter (March 31) of the next state fiscal year.
2. Any funds in the set-aside for which a notice of intent to submit an emergency application has not been received prior to March 31 will be reallocated in accordance with Section 290.044 (4), Florida Statutes. Any funds not allocated under the Emergency Set-Aside will be used to fund applications which were partially funded due to inadequate funds in the most recently completed Neighborhood Revitalization category funding cycle, and then any remaining funds will be distributed to the next unfunded applications. All awards are contingent upon state approved budget authority.
3. Applications will only be accepted from, and awards made to, eligible local governments, as defined in Section 290.042 (5), Florida Statutes, which have been declared by executive order of the Governor to be in a state of emergency as provided under Section 252.36, Florida Statutes, and any subsequent emergency rule criteria adopted by the Department.
4. The funds must meet urgent community needs of LMI residents supported by documentation that the activity is directly related to a specific emergency event covered by an executive order. The amount of funds requested must be limited to the amount necessary to address the emergency need.
5. Applicants under this category must demonstrate that no other federal, state, or local funds are available to address the emergency.

6. All other provisions of Chapter 73C-23, Florida Administrative Code, that apply to the Emergency Set-Aside.

### **Grant Selection Criteria**

The state's priorities for the Florida Small Cities CDBG Program are communicated to potential applicants by program categories established by state law, through the percentage of funds allocated for each category, and through the establishment of funding priorities outlined in the program's Administrative Rules, Application Manual, and Consolidated Plan.

The rules ensure that applications from communities that are not in compliance with federal or state laws are not funded. Upon receipt of an application, an initial review is conducted to determine if threshold criteria have been met. This review is used as a screening method to ensure compliance with minimum application requirements. Seven specific criteria established by Section 290.0475, Florida Statutes, establish the basis upon which the Department of Economic Opportunity may reject an application without regard to scoring.

1. The application is not received by the specified deadline date.
2. The proposed project activities fail to meet one of the three national objectives.
3. The proposed activities are not eligible.
4. The proposed activities are not in compliance with the adopted local comprehensive plan, as approved by the Department.
5. The applicant has an open Housing, Neighborhood, or Commercial Revitalization Community Development Block Grant.
6. The local government is not in compliance with citizen participation requirements.
7. Information provided in the application that affects eligibility or scoring is misrepresented.

The Department does not award a grant until it has determined, based upon a site visit, that the project and/or activities are eligible, in accordance with the description contained in the application, and that any open Economic Development grant is on time. If, based upon a site visit, the Department determines that any information in the application that affects scoring has been misrepresented, the application is rejected.

### **Method of Distribution**

Major scoring components of the competitive evaluation process are community-wide needs, project impact, including benefit to very low-, low- and moderate-income persons, and

outstanding performance in equal opportunity in employment and housing. A complete copy of the Method of Distribution can be found in Appendix 5.

### **Community Need**

The overall need for assistance by an eligible community is assessed using three factors: the number of low and moderate income persons, the number of persons below poverty, and the number of year-round housing units with 1.01 or more persons per room. These factors are measured by whole numbers and make up what is referred to as the Community-Wide Needs (CWN) score. Communities are compared within appropriate LMI population groups, with the most distressed jurisdiction in each group being assigned the highest score for each factor. Accordingly, each jurisdiction having a score that falls below the highest ranked jurisdiction is assigned a proportion of the total points available for each factor.

The CWN score is reduced by five points for every \$100,000, or portion thereof, of CDBG funding awarded to local governments. This adjustment takes place the first year that new census data is available and is reduced annually until new census data becomes available. The reduction to the score allows communities which have not received funding to stand a better chance of obtaining a grant. The CWN score is provided to all eligible communities and is incorporated in the scoring process.

### **Penalty Points**

Penalty points are deducted from an applicant's score if the applicant has not met administrative requirements of previously awarded grants. These include penalties for termination "for cause" of a previous grant and failure to meet levels of performance identified in the original application. Chapter 73C-23, Florida Administrative Code, outlines the penalty point process.

### **Project Impact and Other Scoring Factors**

Project impact criteria are tailored to the objective established for each program category. Regardless of the type of activity the community is proposing, the impact that the project will have on the community is considered in the evaluation process. This project impact is evaluated within each of the program categories using measures specifically appropriate to the category of funding. Applications also receive points for efforts made in such areas as equal opportunity and fair housing, leverage of other funds, and impact on low and moderate, and very low income beneficiaries.

Eligible applicants are required to submit information on the community's practices relating to equal employment opportunity and fair housing for consideration in the scoring process. Maximum points are awarded when the minority employment percentage meets or exceeds the percentage of minority population in the county. Points are also awarded for outstanding performance in fair housing if the applicant has a local fair housing law covering all protected classes, has carried out educational programs for the general public and local elected officials,

and provided training for housing professionals (realtors, loan officers and insurance agents) within the community.

### **Matching Funds**

The Florida Small Cities CDBG Program does not require local governments to provide matching funds; however, the competitive scoring criteria favor applications that leverage other funds. Local government general revenue, as well as other loan and grant funds, may be counted as leveraged funds.

### **Submission Requirements**

Information presented in an application must be sufficient for the Department to determine the eligibility of the project and activities, the quality of the proposed project, and the ability of the local government to meet basic requirements. The applicant must describe the need for the project, the anticipated impact of the project on that need, and a budget. The capacity of a community to adequately manage the grant will be reviewed if the jurisdiction has not previously participated in the program.

Currently, in addition to submitting two copies of the application to the Department, copies of Economic Development, Neighborhood Revitalization, and Commercial Revitalization applications are sent to the Florida State Clearinghouse. The Clearinghouse sends out the application to agencies with permitting or environmental regulatory authority for review. Comments are returned to the Clearinghouse where they are summarized in a Clearinghouse Review Letter that is provided to the applicant and to the Department. For housing rehabilitation applications, one copy is sent to the State Historic Preservation Office for review. However, this process is being reviewed and new procedures are being developed to ensure the most comprehensive environmental review possible. Once the changes to Chapter 73C-23, FAC, are finalized, a substantial amendment to this Annual Action Plan and the Consolidated Plan will be prepared and released according to the Citizens Participation Plan in Appendix 2.

The Department encourages local governments to use this “letter” in the environmental assessment that must be completed before funds are released since it typically notes potential historic preservation issues, whether work will take place in a floodplain or wetland, and any special permits that are needed. The Clearinghouse posts information about the projects on its website at: <http://appprod.dep.state.fl.us/clearinghouse/>. Posting this information allows federal and state agencies that have an interest in federally funded projects to access information about the projects.

### **Summary**

The Florida Small Cities CDBG application manual describes factors used to score applications. The maximum score for a Small Cities CDBG application is 1,000 points. The following charts summarize the scoring factors used in the selection process and the maximum number of points that a local government can receive for each factor. Some of these factors may change

during the rule revision process.

<b>Scoring Factors</b>	<b>Maximum Points</b>
<b>All Application Categories</b>	
Community Wide Needs Score	250
Special Designation	20
Grant History Score	100
Outstanding Performance in EEO-M/WBE	25
Outstanding Performance in EEO–Local Government Employment	60
Outstanding Performance in Fair Housing	15
<b>Commercial Revitalization Category</b>	
Leverage	25
CDBG Funds & Activity Goal Score	75
Commercial Reinvestment Need Score	50
Other Community Development Scores	85
Readiness to Proceed Score	100
Commercial Revitalization Grant History Score	50
LMI Benefit Score	145
<b>Economic Development Category</b>	
Leverage	125
Average Cost Per Beneficiary Score	175
Full-Time Equivalent LMI Jobs	175
Economic Development Element of Local Comp Plan	30
Unemployment Level Score	25
Investment Ratio	0
<b>Housing Rehabilitation Category</b>	
Leverage	25
CDBG Funds & Activity Goal Score	75
LMI and VLI Impact Score	235
Average Cost Per LMI Housing Unit	120
Green Rehabilitation Standards	75
<b>Neighborhood Revitalization</b>	
Leverage	25
CDBG Funds & Activity Goal Score	50
VLI Beneficiary Impact Score	30
LMI Beneficiary Impact Score	135
Average Cost Per Unduplicated LMI Beneficiary Score	40
Average Cost Per Unduplicated LMI Household Score	100
Readiness to Proceed Score	100
Health & Safety Score	50

## **Local Government Citizen Participation Requirements**

Section 290.046, Florida Statutes, and federal regulations, set out the requirements local governments must follow to obtain citizen input. Local governments submitting a CDBG application must comply with citizen participation requirements (as provided in the Housing and Community Development Act of 1974, as amended). To ensure compliance, these provisions are incorporated in grant applications, the scoring system, and award agreements. Prior to submitting an application for funding, local governments must:

- Publicize information concerning the amount of funds available to the local government and the range of activities that may be undertaken.
- Hold at least one public hearing to obtain citizens' views on the development needs of the community.
- Publish a notice concerning the proposed application advising citizens of its location and notifying them that it is available for inspection and comment.
- Publicly commit to use any grant funds received to the maximum feasible extent to benefit persons of very low-, low- and moderate-income.
- Publicly commit to minimize displacement of persons as a result of activities assisted with CDBG funds.
- Publicly state its plans to assist displaced persons should displacement occur.
- Hold at least one public hearing on the proposed application prior to its submission to the state.
- If appropriate, modify the proposed application to respond to citizens' comments.

## **Minority Business Enterprise (MBE) and Section 3 Employment**

The CDBG Program is administered in accordance with federal and state rules and regulations pertaining to equal opportunity. The Department reports to HUD twice a year on contracts that local governments have executed with minority business enterprises and women-owned businesses. The report also indicates which of the contractual obligations were to Section 3 businesses. Materials are provided to local governments that outline the Contractual Obligations and MBE process. In addition, presentations are made at grant implementation workshops.

Beginning in 2008, local governments were required to submit an annual Section 3 report. This information is summarized and submitted to HUD with the Annual Performance Report. MBE and Section 3 compliance is also a monitoring issue. Local governments must maintain a list of certified minority and women-owned businesses in their region and provide documentation

that the list was used in the procurement process.

### **Program Income and Deobligated Funds (Recaptured Funding)**

Federal regulations specify how program income must be handled. In addition, the Department has established guidelines for subgrantees: “Program income generated after closeout shall be returned to the Department.” Program income generated prior to close out of a grant shall be returned to the Department unless:

- (a) The program income is used to fund additional units of CDBG activities referenced in the grant agreement under which the program income was generated; and
- (b) The recipient amends the grant agreement to encompass expenditure of that program income prior to administrative closeout; and
- (c) The funds are to be expended pursuant to the provisions of 24 CFR Part 570, as effective on March 28, 2002, Sections 290.046-.049, Florida Statutes, and Chapter 73C-23, Florida Administrative Code.

Grants may close out or be terminated with less than the full amount of the grant award having been expended. When this occurs, the Department has some amount of “deobligated” or “reallocated” funds available (funds that were awarded to local governments, but were not used by the recipient prior to the closeout of the grant).

The Department may utilize program income and deobligated funds in the following manner:

- (a) At any time necessary for a Section 108 Loan repayment under 24 CFR 570.432;
- (b) To fully fund partially funded grants from the most recent competitive application cycle, including funding the construction phase of a project for which a Planning and Design Specifications grant was awarded;
- (c) To fund grants in categories that received a large number of requests that could not be funded during the applicable cycle in which the requests were received;
- (d) To combine with emergency set-aside funds to address emergency needs;
- (e) To fund applications received during the next annual allocation.

### **State Program Monitoring**

The Florida Auditor General and HUD monitor the state’s administration of the programs covered in the Consolidated Plan, including the Florida Small Cities CDBG Program. In addition, from time to time, agency internal auditors perform audits of the programs. Each of these audits assesses the state’s performance in administering the program in accordance with state and federal rules and regulations. When audit findings are noted, the programs take immediate steps to resolve the deficiencies or prevent recurrence of the findings. Program management staff and job responsibilities facilitate internal monitoring to ensure that federal rules and regulations are being carried out. Checklists and grant manuals help staff ensure that

appropriate procedures are being followed.

### **Regional Monitoring**

Staff with ongoing monitoring responsibilities has been assigned regional areas. This structure provides an opportunity for staff to become familiar with the special circumstances and urgent needs of communities within a region. Staff may work with the regional planning councils and local officials to develop strategies for meeting long-term needs and responding to urgent needs. This approach to monitoring strengthens the technical assistance aspect of the program.

### **Subgrantee Monitoring**

The Department monitors subgrantee compliance with federal and state rules and regulations. This monitoring begins at the time of project site visit before an award is made. Once applications are scored and ranked, site visits are made to potential recipients. At that time, staff confirms that required policies or procedures are in place. Audits from the previous two years are also reviewed to ensure that there are no unresolved audit findings that impact the administration of a project funded with CDBG dollars. Staff then verifies the data provided in the application for funds.

When an award is made, special conditions are included in the contract. These are preliminary administrative requirements with which the subgrantee must comply (e.g., items relating to procurement, environmental review, and plans and specifications). Grant managers are responsible for ensuring that special conditions are satisfied within the given length of time. All contracts are monitored at least twice. The first on-site monitoring visit takes place when approximately 25% of the funds are drawn, and another on-site visit is made when construction is about 80% completed. Economic Development grants may be monitored three or more times, depending upon the need for technical assistance and the subgrantee's administration of the project. Grantees that experience difficulties are monitored on-site as often as is necessary to ensure compliance with federal and state regulations.

Monitoring checklists that address federal and state rules and regulations are used during the monitoring process. These checklists ensure that all phases of grant administration are reviewed during the course of the grant. Following a monitoring visit, a monitoring report is mailed to the subgrantee that lists any deficiencies in the administration of the grant and the actions that the subgrantee needs to take to resolve the findings. If no findings are noted, but areas of potential concern are discovered, the Department advises the subgrantee of these concerns so that the local government can take steps to ensure that they do not become findings.

In addition to this monitoring, the Department's Office of the Inspector General reviews the annual audit of the subgrantee to ensure that no audit findings that impact the subgrantee's administration of the program exist. If the Department discovers that the local government's auditor has identified areas that need to be addressed, the local government is notified of the

findings and the actions that should be taken to resolve the issue.

Finally, the Department uses a comprehensive closeout document that in some ways serves as a final desktop monitoring of the project. Contracts are not closed until all funds have been appropriately accounted for and all requirements satisfied.

All monitoring is conducted in accordance with HUD guidelines as well as applicable federal and state rules and regulations. Grantees that appear to be experiencing administrative problems may be monitored more frequently than those whose activities are taking place in a timely manner without any difficulties in management or reporting to the Department.

### **Training and Technical Assistance**

Training priorities are identified by the CDBG Program and the eligible cities and counties it serves. Training needs may also be uncovered during the course of federal and state audits or monitoring. The Department considers every telephone call, email or written request from a local government an opportunity to provide technical assistance. This service is also provided during site visits and monitoring. In addition, all public hearings on CDBG issues (e.g., hearings held in connection with rule changes) provide a forum for training and educating local governments and others interested in the program.

CDBG staff makes numerous visits to local governments, community development association events and to other state agencies to provide information on the Small Cities CDBG Program and the Section 108 Loan Guarantee Program.

Technical assistance activities planned for 2013 include: CDBG Small Cities Application and Implementation Workshops, Fair Housing Practices workshops and webinars, and Council of State Community Development Agencies (COSCEA) CDBG Boot Camp Training for staff capacity building. The Department has improved capabilities to provide online training videos, presentation materials, and webinars for local governments and other interested parties.

### **Advocacy and Training**

CDBG staff is working to promote inter-departmental program coordination, as it has done successfully in the past with Florida's Rural Economic Development Initiative (REDI).

Staff members have also conducted outreach to the Florida Association of Community Development Corporations (FLACDC), spoken at the Rural Economic Development and Tourism Summit, and will be providing additional training to local governments at the Florida Community Development Association (FCDA) Annual Training Conference in August 2013. These outreach activities provide municipalities access to program materials, as well as to face-to-face meetings with the staff members administering programs.

## **Section 108 Loan Guarantee Program**

The Section 108 Loan Guarantee Program is authorized under Section 108 of the Housing and Community Development Act of 1974 (42 USC 5308) as part of the Community Development Block Grant Program. In 2013, the Florida Legislature adopted changes to the Florida Small Cities CDBG Program which allows up to \$5,000,000 in individual loan guarantees to small cities and counties to address their needs for economic and community development.

The Section 108 Loan Guarantee Program offers local governments a source of financing for economic development, large-scale public facility projects, and public infrastructure. HUD sells bonds on the private market and uses the proceeds to fund Section 108 loans through the state to local governments. The local government may loan the funds to third parties to undertake eligible CDBG activities (typically economic development) or use the funds for other eligible CDBG activities. CDBG future allocations are used as secondary security for the HUD loan to the local government (the loan guarantee).

Section 108 Loans are for activities that:

- Principally benefit very low-, low- and moderate-income households
- Assist in the elimination or prevention of slum and blight conditions
- Meet other community development needs that have a particular urgency and are of very recent origin

Examples of eligible activities:

- Eligible economic development activities
- Real property acquisition as part of an otherwise eligible activity
- Rehabilitation of publicly or privately owned real property
- Housing rehabilitation or replacement eligible under the CDBG program and related relocation
- Demolition, clearance, and site improvements for eligible CDBG activities
- Section 108 loan closing costs and issuance costs of related public offerings
- Public infrastructure

## **Section 108 Funding Availability**

Currently state law sets the maximum amount of loan guarantee commitment that any eligible local government may receive at \$5,000,000 pursuant 290.0455(6), Florida Statutes and the maximum amount of loan guarantee commitments statewide may not exceed an amount equal to twice the amount of the most recent grant received by the Department under the Florida Small Cities CDBG Program (approximately \$48,000,000 in loan guarantees at the current allocation level).

The Section 108 Loan guarantee process (for a loan to a third party) is:

1. The business or other third party approaches the local government with a proposal.
2. The local government sets up a “screening meeting” at the Department of Economic Opportunity (DEO) for review and comment on the eligibility and likely fundability by HUD of the proposal.
3. The local government packages the loan, has the loan underwriting analysis completed, pledges local government collateral based on the results of the underwriting process, signs the certifications, and sends the completed application to DEO.
4. DEO staff reviews the package for accuracy and eligibility, and then forwards the loan proposal to HUD when it is complete.
5. As part of this process, the state pledges future CDBG allocations as secondary collateral to secure the loan.
6. HUD approves the loan package or negotiates with the state, local government, and borrowers to overcome loan package deficiencies.
7. The sale of the bonds is closed (or interim financing is provided) by HUD’s fiscal agent concurrently with the closing of the Section 108 loan to the local government, who then immediately closes its loan with the borrower.
8. The funds are released by HUD’s fiscal agent to the local government’s custodial agent (a local bank), who then releases the funds to the borrower based on the terms of the loan agreement.
9. The borrower makes monthly payments to the local government’s custodial agent, who semi-annually remits to the HUD fiscal agent, who annually pays the bondholders.
10. The local government and DEO periodically monitor the ongoing project and deposits with the custodial agent to ensure that the borrower meets all CDBG requirements relating to labor standards, environmental assessments, acquisition and relocation, financial management, and a national objective.

The local government shall enter into an agreement with the department to repay half of the Section 108 loan in the event of default. The Department requires that underwriting analysis be conducted in accordance with 24 CFR 570.482 (e)(2) and Appendix A of 24 CFR Part 570. The Department may, as necessary, require additional underwriting standards, criteria or review.

## Summary

Department staff continues to provide training and technical assistance relating to the Section 108 Loan Program and to promote it through the use of printed information and information posted to its website.

<b>OPTIONAL TABLE 3A SUMMARY OF SPECIFIC ANNUAL OBJECTIVES</b>							
<b>Specific Objective</b>	<b>Source of Funds</b>	<b>Year</b>	<b>Performance Indicators</b>	<b>Expected Number</b>	<b>Actual Number</b>	<b>Percent Achieved</b>	
<b>Sustainability of Decent Housing (DH-3)</b>							
<b>DH3.1</b>	Temporary Relocation	CDBG	2010	HH	60		%
			2011	HH	50		%
			2013	HH	45		%
			2014	HH	45		%
			2014	HH	45		%
			<b>MULTI-YEAR GOAL</b>				
<b>Sustainability of Decent Housing (DH-3)</b>							
<b>DH3.1</b>	Sewer Hookups	CDBG	2010	HU	100		%
			2011	HU	100		%
			2013	HU	90		%
			2014	HU	90		%
			2014	HU	90		%
			<b>MULTI-YEAR GOAL</b>				
<b>Sustainability of Decent Housing (DH-3)</b>							
<b>DH3.1</b>	Water Hookups	CDBG	2010	HU	100		%
			2011	HU	100		%
			2013	HU	90		%
			2014	HU	90		%
			2014	HU	90		%
			<b>MULTI-YEAR GOAL</b>				
<b>Sustainability of Decent Housing (DH-3)</b>							
<b>DH3.1</b>	Housing Rehab	CDBG	2010	HU	60		%
			2011	HU	60		%
			2013	HU	60		%
			2014	HU	50		%
			2014	HU	50		%
			<b>MULTI-YEAR GOAL</b>				
<b>Availability/Accessibility of Suitable Living Environment (SL-1)</b>							
<b>SL1.1</b>	Neighborhood Center	CDBG	2010	BU	1		%
			2011	BU	1		%
			2013	BU	1		%
			2014	BU	1		%
			2014	BU	1		%
			<b>MULTI-YEAR GOAL</b>				

Availability/Accessibility of Suitable Living Environment (SL-1)							
SL1.1	Parks and Playgrounds	CDBG	2010	Site	1		%
			2011	Site	1		%
			2013	Site	1		%
			2014	Site	1		%
			2014	Site	1		%
			<b>MULTI-YEAR GOAL</b>				
Availability/Accessibility of Suitable Living Environment (SL-1)							
SL1.1	Parking Facilities	CDBG	2010	Spaces	20		%
			2011	Spaces	20		%
			2013	Spaces	20		%
			2014	Spaces	20		%
			2014	Spaces	20		%
			<b>MULTI-YEAR GOAL</b>				
Availability/Accessibility of Suitable Living Environment (SL-1)							
SL1.1	Water/Sewer Facilities	CDBG	2010	Plant	1		%
			2011	Plant	1		%
			2013	Plant	1		%
			2014	Plant	1		%
			2014	Plant	1		%
			<b>MULTI-YEAR GOAL</b>				
Availability/Accessibility of Suitable Living Environment (SL-1)							
SL1.1	Fire Station	CDBG	2010	Station	1		%
			2011	Station	1		%
			2013	Station	1		%
			2014	Station	1		%
			2014	Station	1		%
			<b>MULTI-YEAR GOAL</b>				
Availability/Accessibility of Suitable Living Environment (SL-1)							
SL1.1	Fire Hydrants	CDBG	2010	FH	10		%
			2011	FH	10		%
			2013	FH	10		%
			2014	FH	10		%
			2014	FH	10		%
			<b>MULTI-YEAR GOAL</b>				

Availability/Accessibility of Suitable Living Environment (SL-1)							
SL1.1	Sidewalks	CDBG	2010	Linear Feet	5000		%
			2011	Linear Feet	5000		%
			2013	Linear Feet	5000		%
			2014	Linear Feet	5000		%
			2014	Linear Feet	5000		%
			<b>MULTI-YEAR GOAL</b>				

Availability/Accessibility of Suitable Living Environment (SL-1)							
SL1.1	Street Improvements	CDBG	2010	Linear Feet	20000		%
			2011	Linear Feet	20000		%
			2013	Linear Feet	20000		%
			2014	Linear Feet	20000		%
			2014	Linear Feet	20000		%
			<b>MULTI-YEAR GOAL</b>				

Sustainability of Suitable Living Environment (SL-3)							
SL3.1	Utilities Relocation	CDBG	2010	Linear Feet	2500		%
			2011	Linear Feet	2500		%
			2013	Linear Feet	2500		%
			2014	Linear Feet	2500		%
			2014	Linear Feet	2500		%
			<b>MULTI-YEAR GOAL</b>				

Sustainability of Suitable Living Environment (SL-3)							
SL3.1	Water/Sewer Lines	CDBG	2010	Linear Feet	20000		%
			2011	Linear Feet	20000		%
			2013	Linear Feet	20000		%
			2014	Linear Feet	20000		%
			2014	Linear Feet	20000		%
			<b>MULTI-YEAR GOAL</b>				

Sustainability of Suitable Living Environment (SL-3)							
SL3.1	Flood and Drainage Projects	CDBG	2010	Unit	3		%
			2011	Unit	3		%
			2013	Unit	3		%
			2014	Unit	3		%
			2014	Unit	3		%
			<b>MULTI-YEAR GOAL</b>				

Sustainability of Suitable Living Environment (SL-3)							
SL3.1	Site Development for Public Facilities/ Infrastructure	CDBG	2010	Site	2		%
			2011	Site	2		%
			2013	Site	2		%
			2014	Site	2		%
			2014	Site	2		%
			MULTI-YEAR GOAL				
Availability/Accessibility of Economic Opportunity (EO-1)							
Specific Objective		Source of Funds	Year	Performance Indicators	Expected Number	Actual Number	Percent Achieved
EO1.1	Job Creation/Retention	CDBG	2010	Job	150		%
			2011	Job	150		%
			2013	Job	175		%
			2014	Job	200		%
			2014	Job	225		%
			MULTI-YEAR GOAL				
Affordability of Economic Opportunity (EO-2)							
EO3.1	Commercial Rehab	CDBG	2010	BU	2		%
			2011	BU	2		%
			2013	BU	2		%
			2014	BU	2		%
			2014	BU	2		%
			MULTI-YEAR GOAL				
Neighborhood Revitalization (NR-1)							
NR1.1	The Florida Small Cities CDBG Program does not administer a Neighborhood Revitalization Strategy.		2010				%
			2011				%
			2013				%
			2014				%
			2014				%
			MULTI-YEAR GOAL				

<b>TABLE 3C (OPTIONAL)</b>			
<b>Annual Action Plan Planned Project Results</b>			
<b>Outcomes and Objectives</b>	<b>Performance Indicators</b>	<b>Expected Number</b>	<b>Activity Description</b>
Temporary Relocation	Households	45	DH-3.1
Sewer Hookups	Housing Units	90	DH-3.1
Water Hookups	Housing Units	90	DH-3.1
Housing Rehab	Housing Units	60	DH-3.1
Neighborhood Center	Building Units	1	SL1.1
Parks and Playgrounds	Site	1	SL1.1
Parking Facilities	Spaces	20	SL1.1
Water/Sewer Facilities	Plant	1	SL1.1
Fire Station	Station	1	SL1.1
Fire Hydrants	Fire Hydrants	10	SL1.1
Sidewalks	Linear Feet	5000	SL1.1
Street Improvements	Linear Feet	20000	SL1.1
Utilities Relocation	Linear Feet	2500	SL3.1
Water/Sewer Lines	Linear Feet	20000	SL3.1
Flood and Drainage	Unit	3	SL3.1
Site Development for Public Facilities/ Infrastructure	Site	2	SL3.1
Job Creation/ Retention	Jobs	175	EO-1.1
Commercial Rehabilitation	Building Units	2	EO-3.1
<b>*Use one of 9 outcome/objective categories</b>			
	<b>Availability/ Accessibility</b>	<b>Affordability</b>	<b>Sustainability</b>
<b>Decent Housing</b>	DH-1	DH-2	DH-3
<b>Suitable Living Environment</b>	SL-1	SL-2	SL-3
<b>Economic Opportunity</b>	EO-1	EO-2	EO-3

# HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

## DISTRIBUTION OF HOME FUNDS, SELECTION PROCEDURES, COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS AND MATCH

### General

Florida Housing Finance Corporation (“Florida Housing”) was designated to administer the HOME Investment Partnerships Program (HOME) on behalf of the state of Florida. As a participating jurisdiction (PJ), Florida Housing administers the state’s HOME program. The HOME program encourages public, private and nonprofit partnerships, and strengthens the abilities of the state as well as municipalities and community housing development organizations to design and implement innovative strategies for achieving adequate supplies of affordable housing throughout the state of Florida.

This program description sets forth guidelines and procedures by which Florida Housing administers the HOME program and distributes HOME funds in accordance with 24 CFR Part 92 and Rules 67-48, 67-50 and 67-57, Florida Administrative Code (F.A.C.). HOME funds allocated by Florida Housing provide the necessary financial support to assist various activities aimed at creating long-term affordable, safe, decent, and sanitary housing for very low and low-income persons and households. Florida Housing works with both the public and private sector throughout the state to help meet the needs of affordable housing in rural areas.

Florida Housing administers these programs either through a competitive application, Request for Proposal (RFP) process or a reservation system. It monitors all HOME activities to ensure compliance with program guidelines and certifies that proposed program activities are consistent with the State Consolidated Plan approved by the U.S. Department of Housing and Urban Development. The state’s HOME program activities will be directed in the areas of acquisition, rehabilitation and new construction of rental and homeownership housing. Additionally, HOME funds may be used for Tenant Based Rental Assistance to provide rent subsidy and security deposit assistance for very low-to moderate income households. Preference for Tenant Based Rental Assistance will be given to families that have been displaced as a result of a natural disaster. In addition, from time to time, Florida Housing may carry out demonstration projects to evaluate the use of HOME funds for new endeavors.

Finally, HOME funds may be used anywhere within the state to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds if refinancing is necessary to permit or continue affordability under CFR 24, Section 92.252, provided the following conditions are met:

1. The Development must demonstrate that rehabilitation is the primary eligible activity. This requirement is met if the rehabilitation accounts for at least 51 percent of the total refinancing cost.

2. Review of management practices demonstrates that disinvestments in the property have not occurred, that the long term needs of the project can be met and the feasibility of serving the targeted population over an extended affordability period can be demonstrated.
3. The refinance must provide that the new investment is being made to maintain current affordable units, create additional affordable units, or both.
4. The minimum affordability period will be 15 years or longer.
5. The existing debt to be refinanced shall not be a multifamily loan made or insured by any federal program, including CDBG.

With the exception of demonstration projects, Florida Housing will administer the HOME program funds, under three separate state rule chapters, directly to eligible participants for qualified rental and homeownership projects. HOME program funds are allocated as follows:

- Administrative Costs
- Community Housing Development Organization (CHDO) Rental and Other Rental Developments
- Community Housing Development Organization (CHDO) Homeownership and Other Homeownership Developments
- Remaining funds not used for CHDO or Administration costs are available for eligible HOME activities

As a participating jurisdiction, Florida Housing has been allocated approximately \$12,533,518 in HOME funds. The allocation and set-aside process is anticipated as follows:

- Florida Housing will utilize up to ten percent of the 2013 HOME allocation or approximately \$1,253,352 for administrative costs pursuant to 24 CFR Part 92.207.
- A minimum of 15 percent of the 2013 HOME allocation, or approximately \$1,880,028, will be reserved for developments that are sponsored by qualified CHDO applicants. Florida Housing has historically exceeded the 15% CHDO requirement between rental and homeownership activities. In the event insufficient applications meeting threshold are received to allocate this amount to rental developments, the remaining unallocated funds (including CHDO reservation amount) may be shifted to homeownership activities. The same applies to homeownership developments, so the remaining unallocated funds may be shifted to rental activities. In the event that more than 15% of the multifamily portion of the allocation is requested by applications meeting threshold submitted by qualifying CHDOs, up to 25% of the multifamily allocation will be used to fund CHDOs prior to funding non-CHDOs.

- Remaining allocated funds will be awarded via a competitive application, RFP process or a reservation system based on the appropriate rule chapters, or through one or more demonstration projects.
- Additionally, Florida Housing periodically experiences development fallouts which may cause funds that have been initially committed to be de-obligated and returned for future program use. Furthermore, loans are consistently repaid and returned to the program fund for other eligible HOME activities. It is anticipated that Florida Housing will utilize approximately \$4,000,000 in program income and \$0 de-obligations either through the competitive application or RFP process for homeownership and rental activities, disaster recovery or down payment assistance alternatives for the 2013-2014 fiscal year. To mitigate factors related to development fallouts, Florida Housing may pair the developer with a technical assistance provider to facilitate and expedite the application and construction process. This increased education and technical assistance should prevent some development delays and fallout.

Prior to funding, the state will pre-certify CHDO compliance and eligibility. CHDOs will be certified only in cases where they are actually awarded funds from the state. While both the rental and homeownership applications or RFPs do not provide additional points for organizing as a CHDO, CHDO applicants are given preferential status when awarding funds to the extent necessary to meet set aside (not less than 15% and in accordance with the applicable rule and application/RFP) for developments by qualified CHDOs. In order to be certified, CHDOs must meet or demonstrate the following minimum requirements (24 CFR Part 92) each time it receives a commitment for CHDO funds:

- Organized under state or local law;
- Certify that the structure of their organization and their Board meet the requirements of 24 CFR Part 92;
- Possess appropriate legal status: 501(c)(3), 501(c)(4), or Section 905 of the Internal Revenue Code of 1986;
- Maintain legal accountability to low-income community/neighborhood residents;
- Display staff capacity and standards of financial accountability;
- Demonstrate a minimum of one year of experience serving the community; and,
- Propose projects that the organization will own, develop or sponsor.

Prohibited activities of the CHDO:

1. If a for-profit entity creates or sponsors a nonprofit entity that seeks designation as a CHDO, the officers and employees of the for-profit entity are prohibited from serving as officers or employees of the CHDO, and the nonprofit entity is prohibited from using the office space of the for-profit entity.
2. CHDO must be separate from and not under the control of a governmental entity. A governmental entity is permitted to create a CHDO, but it is not permitted to control the CHDO by providing its employees to the CHDO as staff or officers.

3. CHDO must have paid employee staff with housing development experience in order to be designated as a CHDO. Nonprofit organizations cannot meet the demonstrated capacity requirement through the use of consultants and through a plan for staff to be trained by the consultants. The demonstrated capacity requirement cannot be met through the use of volunteers.
4. No owner, developer, or sponsor of a project assisted with HOME funds (or officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor) whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer, or sponsor) may occupy a HOME-assisted affordable housing unit in a project. This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.

For 2013, approximately \$11,280,166 (\$12,533,518 - 10% Admin set aside) will be split between rental and homeownership activities based on the demand of the respective programs.

#### **SELECTION PROCEDURES AND LOAN TERMS FOR THE STATEWIDE COMPETITIVE APPLICATION OR RFP OF HOME FUNDS**

##### **Florida Housing's HOME Rental Program**

HOME loan recipients for Rental developments are selected through a statewide, competitive application or RFP process. Eligible housing providers [non-profits, for-profit developers, local governments, public housing authorities and Community Housing Development Organizations (CHDOs)] are encouraged to apply for HOME funding. Three primary criteria applicants must demonstrate are: (1) ability to proceed with construction or rehabilitation; (2) experience in developing affordable housing; and, (3) ability to leverage HOME funds.

The HOME Rental program offers first or subordinate mortgage, low-interest rate loans to eligible housing providers for the acquisition/rehabilitation, rehabilitation, new construction, conversion of non-residential units to residential units, and reconstruction of multifamily housing. The HOME loan may be the primary source of financing or may bridge the gap between the development's primary financing and the total development costs. At least 15 percent but as much as 25 percent of the annual allocation is set-aside for CHDO developments with the remaining funds being allocated to both CHDO and other developments depending on the ranking.

Applicants may request up to 60 percent of the HUD established maximum subsidy limits based on the number of bedrooms per unit and the county in which they are located. Applicants may request refinancing of a first mortgage when borrowing HOME funds to rehabilitate units if refinancing is necessary to permit or continue affordability and all other requirements as described in HUD Rule 92.206(b) are met. For-profit applicants selected for funding receive a

one and a half (1.5%) percent interest rate loan and non-profits receive a zero percent interest rate loan. For applicants who are owned by both for-profit and not for-profit entities, the interest rate will be determined based upon the relative percentage of ownership of the general partner. If a HOME development is least partially financed with a MMRB Loan, the annual interest rate for the HOME Loan shall be determined by Florida Housing's Board of Directors and payment of the loan will be determined annually based on the development's cash flow. The minimum term of the HOME loan is 15 years for rehabilitation and 20 years for new construction.

Applications received by the published closing date are reviewed, scored and ranked by Florida Housing staff. Based on the outcome of the competitive scoring, the applications are ranked in accordance with the application ranking and scoring criteria. Florida Housing provides an appeal process at which time the applicants may contest their score and/or the scores of competing developers. Upon completion of the appeal process, applicants within funding range are notified of their ranking by way of a preliminary commitment letter. The applicant then advances through the credit underwriting process and if the loan is approved by Florida Housing's Board of Directors, proceeds to closing.

#### **FLORIDA HOUSING'S HOME HOMEOWNERSHIP PROGRAMS**

##### **Homeownership Pool Program**

Florida Housing Finance Corporation's Homeownership Pool ("HOP") Program, under Rule 67-57, F.A.C., is designed to be a non-competitive and on-going program, with Developers reserving funds for eligible homebuyers to provide purchase assistance on a first-come, first-served basis.

The HOP program is available to non-profit and for-profit organizations, Community Housing Development Organizations (CHDOs), counties and eligible municipalities that are recipients of SHIP funding and the United States Department of Agriculture - Rural Development (USDA-RD).

HOME funds are used to financially support families of low to moderate incomes with down payment and closing costs assistance up to the amounts stipulated in the HUD regulations. These zero percent, deferred principal loans require repayment if the homebuyer ceases to occupy the property as their primary residence during the affordability period, sells or transfer ownership or rents the property. Repayments are re-invested in the HOME program

##### **Homebuyers:**

Eligible homebuyers, whose adjusted income does not exceed 80% AMI, receive a zero percent deferred second mortgage loan for the lesser of 25% of the purchase price of the home or \$70,000 or the amount necessary to meet underwriting criteria (with the exception of Eligible Homebuyers with disabilities and Eligible Homebuyers at 50% AMI or below, which are limited to 35% of the purchase price or \$80,000). The second mortgage for loans to homebuyers will be a zero percent, non-amortizing loan with principal deferment until maturity. Principal payments on the second mortgage loans shall be deferred until the owner sells, transfers or disposes of the home or the owner ceases to occupy the home as a principal residence.

All families receiving HOP funding are required to undergo homebuyer education and counseling as a precursor to receiving a second mortgage loan.

#### How It Works:

- An eligible organization becomes a “Member” of the Loan Pool by completing a HOP Membership Application.
- Members can reserve financing for qualified homebuyers, on a loan-by-loan basis, by submitting a HOP Reservation, Environmental Checklist and a copy of the foundation inspection once the home is under construction.
- As homes near completion, a Borrower Analysis for each contracted Eligible Homebuyer is required.

Florida Housing will provide funds in the amount necessary to reduce the purchase price to an affordable amount and closing costs assistance at homebuyer closing.

#### Program Parameters:

- Funds may be reserved for a maximum of 180 days with no more than 10 homebuyer reservations in the system at one time per HOP Member.
- Members shall be limited to 60 units closed per year.
- Set-Asides: It is anticipated that HOP funds will be set aside as follows:
  - 15% Community Housing Development Organizations (CHDOs)
  - 15% Self-Help Housing
  - 50% Non-Participating Jurisdictions (Non PJs)
  - 20% Participating Jurisdictions (PJs)

Any unreserved funds remaining at the time a new Notice of Funding Availability is made for this program will be reallocated for use with the new funding amount.

#### **Additional Homeownership Program Considerations**

Florida Housing would like to reserve the right to revise the terms of the programs set forth herein and in the program rules to address market changes, special needs populations and certain natural disasters. Market changes such as increasing interest rates and increasing construction costs and sales prices may necessitate additional assistance to maintain affordability of the homes. Oftentimes, incomes alone are not sufficient to support the increased sales prices. Florida Housing routinely explores ways to address special needs populations such as those with disabilities. These potential borrowers often need more assistance to qualify for a home due to limited incomes and the need for supportive services. Addressing the needs associated with the events above may require program parameters different than what is identified above. Assistance may be provided in the form of low interest

rate loans, deferred interests loans or grants.

### **Needs of Public Housing**

Florida Housing works closely with Public Housing Authorities in many of our programs. Florida Housing has awarded over \$21 million in HOME Tenant-Based Rental Assistance (TBRA) funds to 22 qualifying Public Housing Authorities (PHA) that currently administers the HUD Section 8 Housing Choice Voucher Program for emergency housing in response to the destruction of the 2004 and 2005 hurricanes.

Also, HOME loan recipients for Rental developments are selected through a statewide, competitive application or RFP process. Eligible housing providers [non-profits, for-profit developers, local governments, public housing authorities and Community Housing Development Organizations (CHDOs)] are encouraged to apply for HOME funding. Additionally if the Applicant in our competitive application or RFP process is a Public Housing Authority, and the Public Housing Authority owns 100 percent of the ownership interest in the development, the loan funded to the Public Housing Authority will receive a 0 percent interest rate.

Florida Housing believes that its close ties with the housing authorities create the requisite knowledge by the housing authorities of Florida Housing's homeownership programs for the authorities to help eligible families with our programs.

Florida Housing continues to strengthen our relationship with Public Housing Authorities through our program design and the inclusion of Public Housing Authorities as eligible recipients of both Federal and State funding. Florida Housing has worked closely with many housing authorities through our various programs in the past and will continue to strengthen our relationship in the future.

### **Match**

The creation of public-private partnerships is essential to the goal of providing affordable housing to Florida's citizens. The HOME program encourages creative and streamlined partnerships tailored to meet Florida's housing needs while complying with applicable federal guidelines. Florida Housing uses other available sources of match to meet this HUD requirement.

State funds may be provided by the William E. Sadowski Affordable Housing Act, a state of Florida law enacted in 1992. This landmark housing legislation established a dedicated revenue source for affordable housing. In 1992, the Sadowski Act increased the documentary stamp tax on deeds from 60 cents per \$100 to 70 cents per \$100 of real estate transferred. In 1995, an additional 10 cents of the original 60 cents was reallocated to fund affordable housing. Of the 70 cents collected, approximately 3.1 cents goes to state housing programs and 7.3 cents goes to local governments for affordable housing.

The state of Florida is confident that it will effectively meet and exceed the match requirements of the HOME program through the issuance of Multifamily Mortgage Revenue Bonds, the availability of the State Apartment Incentive Loan (SAIL) program, and revenue under the Sadowski Act.

### **HOME Homebuyer Recapture**

Funds loaned to an eligible borrower in conjunction with the Homeownership Loan Program competitive cycle and the Homeownership Pool Program will conform to the following guidelines:

- A. At the time of purchase, the initial buyer must satisfy the two following criteria:
  - 1. Must be a low-income family (have an income of 80% or less of the median income for the area); and
  - 2. Must occupy the acquired property as the principal residence.
- B. HOME-assisted units shall comply with the purchase price limitation requirements established by HUD in Part 92.254 of the HOME Rule. Eligible homebuyers can receive a 0% interest rate, deferred payment, second mortgage loan. Repayment of the loan is due should (1) the borrower sell, transfer or dispose of the assisted unit (either by sale transfer, bankruptcy or foreclosure, etc.); (2) the borrower no longer occupies the unit as a principal residence during the affordability period; or (3) the borrower dies, or if the borrower is married, the borrower's surviving spouse dies.

Florida Housing has elected to utilize option (ii) under 24 CFR 92.254(a)(5)(ii), as its method of recapturing HOME funds under any Homebuyer Program the State administers.

- A. The following methods of recapture would be acceptable to Florida Housing and will be identified in the down payment assistance note prior to closing:
  - 1. Recapture the entire amount of the net proceeds (i.e., the sales price minus loan repayment, other than HOME funds, and closing costs) not to exceed the amount of the HOME investment, except that the HOME investment amount may be reduced or prorated based on the time the homeowner has owned and occupied the unit measured against the required affordability period.
  - 2. If the net proceeds (i.e., the sales price minus loan repayment, other than HOME funds, and closing costs) are not sufficient to recapture the full (or a reduced amount as provided for in 24 CFR 92.254(a)(5)(ii)(A)(5)) HOME investment and enable the homeowner to recover the amount of the homeowner's down payment and any capital improvement investment, the participating jurisdiction's recapture provisions may share the net proceeds.

The net proceeds may be divided proportionally as set forth in the following mathematical formulas:

$$\text{(HOME investment / (HOME investment + homeowner investment)) X Net Proceeds = HOME amount to be recaptured}$$

$$\text{(Homeowner investment / (HOME investment + homeowner investment)) X Net Proceeds = Amount to Homeowner}$$

3. Alternatively, Florida Housing may also allow the homebuyer to recover all the homebuyer's investment (down payment and capital improvements) first before recapturing the HOME investment.

Paragraph A(1) is the method most preferred by Florida Housing. Due to the current nature of the housing market, where there was rapid declines in values that decimated many communities, the opportunity to explore the effects of different Recapture provisions on the homeowner using A(2) and A(3) is beneficial.

- B. The HOME investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. This is also the amount upon which the affordability period is based as per the chart below:

<b>Homeownership assistance HOME amount per-unit</b>	<b>Minimum period of affordability in years</b>
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property. The recaptured funds must be used to carry out HOME-eligible activities. If HOME funds were used for development subsidy and therefore not subject to recapture, the resale provisions at 24CFR 92.254(a)(5)(i) apply.

- C. Upon the recapture of the HOME funds used in a single family homebuyer project with more than one unit, the affordability period on the rental units may be terminated at the discretion of Florida Housing.

In certain instances, Florida Housing may choose to utilize the resale provision at 24 CFR 92.254(a)(5)(i) and will identify this provision in the down payment

assistance note prior to closing. To date, the only program that Resale has been utilized by Florida Housing is for our Request for Proposals in 2005 and 2006 for Community Land Trusts. This program was run as a pilot program during a time where there was a tremendous increase in housing values and the goal was to maintain affordability of assisted housing in perpetuity for low to moderate income families. Resale requirements must ensure, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low or very low income family, 80% AMI and below, and will use the property as its principal residence. The resale requirement must also ensure that the price at resale provides the original HOME-assisted owner a fair return on investment. The purchase price at resale will be the lesser of the formula price calculation below or the value of the improvements determined by an Appraisal. The formula price may be calculated as the amount of initial equity provided by the HOME-assisted owner at original acquisition plus any documented capital improvements made to the home by the HOME-assisted owner and a share in the amount of increased market value of the home based on the following table:

<u>Years HOME-assisted owner in House</u>	<u>Amount of Increase in Market Value</u>
Year 1 – 3	5%
Year 4 – 6	15%
Year 7 – 10	25%
Year 10+	50%

Any capital improvements made without approval will not be credited within the Fair Return calculation. Variations in the calculation of the resale price may be considered based on local conditions and will be identified in the down payment assistance note prior to closing.

Except as provided in paragraph 24 CFR 92.254(a)(5)(i)(B), deed restrictions, covenants running with the land, or other similar mechanisms must be used as the mechanism to impose the resale requirements. The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA-insured mortgage to HUD. The participating jurisdiction may use purchase options, rights of first refusal or other preemptive rights, to purchase the housing before foreclosure in an effort to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

## **Demonstration Projects**

From time to time, as Florida Housing determines there is a new or changing need for rental or homeownership housing assistance that cannot be handled adequately through existing programs, Florida Housing may decide to develop one or more demonstration projects. The purpose of these projects will be to evaluate the feasibility of using HOME funds for the purposes designated in the demonstration projects.

Any proposed demonstration will be approved by Florida Housing's Board of Directors. Funds will be dispersed through a Request for Proposal process that outlines criteria to be used in evaluating and selecting proposals for funding. Examples of projects that may be considered for funding in this manner include, but are not limited to: tenant based rental assistance, home modification, affordable assisted living facilities and independent senior housing in targeted rural areas, housing targeted to people with disabilities, manufactured housing, farmworkers, homeless persons, those at risk of homelessness, victims of domestic violence, persons with disabilities, frail elderly, and preservation of existing affordable housing developments.

## **Lease-Purchase Activities**

Florida Housing does not currently use HOME funds for lease-purchase activities. In light of current economic situation in the housing market, Florida Housing may consider using HOME funds for lease-purchase activities through a Demonstration Project.

## **Monitoring**

All HOME rental developments receive on-site Management Review and Physical Inspection on an ongoing basis. Written reports are compiled and distributed as described in the following information. The compliance monitoring Agents under contract with Florida Housing are professionals who are diligent in their duties and perform as an extension of Florida Housing's Asset Management section. In addition, the Florida Housing Quality Assurance and Asset Management departments conduct reviews of each firm under contract for compliance monitoring with Florida Housing. The Florida Housing Staff maintains daily telephone contact and conducts roundtable discussions with the monitoring agents on an ongoing basis. Procedures and responsibilities are described below.

Management Company Approval: The owner/developer must submit information regarding selection of a management company, and the developer's selection of the management company must be approved by Florida Housing prior to the company assuming development management responsibilities. This is in addition to the review of the management company information by the underwriter.

The steps for obtaining management company approval are as follows:

- A. Florida Housing Asset Management Staff review of company information including key management personnel, management plan, management experience procedures and Florida Brokers license.

- B. Florida Housing Asset Management Staff review of company management plan, company forms such as applications for apartment residence, income verification forms, lease, etc.
- C. Key management company representative attendance at a Florida Housing Compliance Workshop.
- D. A meeting between Florida Housing Asset Management Staff and a management company representative after the Compliance Workshop or via conference call.
- E. Florida Housing documentation of approval to the owner and management company.

Compliance Monitoring Agent: The compliance monitoring agent can be Florida Housing or an agent under contract with Florida Housing. The agent:

- A. Conducts Pre-Occupancy Conferences.
- B. Collects and reviews Program Reports and Income Certification from each development monitored.
- C. Conducts Management Review and Physical Inspections and necessary Follow-up Reviews.
- D. Copies Florida Housing on all correspondence, including Management Reviews, and keeps Florida Housing advised regarding developments monitored.
- E. Performs additional Miscellaneous Duties of the Monitoring Agent:
  1. Daily availability to on-site staff to answer any questions concerning compliance.
  2. Keeping Florida Housing advised of regularly scheduled activity, of problems and of changes.
  3. Any change in ownership and/or management company may require additional reviews.
  4. Training to instruct owners/management personnel on compliance requirements shall be conducted as deemed necessary by Florida Housing.
  5. Participate in and/or conduct regional training workshops and/or webinars for developers and/or management company personnel to assure compliance with federal laws and regulations, State laws and Florida Housing rules concerning program requirements. Workshops and/or webinars are conducted at least quarterly.

## **Compliance Monitoring**

### I. Pre-Occupancy Conference/Training.

Prior to the leasing of any Development units, the compliance monitor shall conduct a pre-occupancy conference/training with the developer or management company personnel to provide complete instructions on items A. through Q. below. Upon completion of the conference/training, the compliance monitor shall provide written confirmation to Florida Housing that the items specified below have been addressed:

- A. Federal requirements including, but not limited to, the minimum number of set aside units, certification and recertification of tenants, and next available unit documentation.
- B. State laws including, but not limited to, additional set aside units and any program requirements as may be required by Section 420, Part V, Fla. Stat., as may be amended from time to time.
- C. Florida Housing rules concerning tenant income restrictions
- D. Resident Programs/Public Purpose Requirement/Public Policy Criteria.
- E. Requirements of the loan closing documents or application, as applicable.
- F. Affirmative Fair Housing Marketing requirements, as may be amended from time to time.
- G. Tenant applications - specific information necessary for continued program compliance.
- H. Income limits.
- I. Rent Limits as may be amended from time to time.
- J. Income verifications.
- K. Utility allowances.
- L. Annual income and assets.
- M. Tenant Income Certifications.
- N. Leases.
- O. Program Reports.
- P. Management units, and

Q. Developer's responsibilities including, but not limited to:

1. Notifying the compliance monitor of any change in management personnel; and,
2. Notifying Florida Housing of any change in ownership of the management company.

II. Program Reports.

The initial HOME Program Report is prepared as of the last day of the calendar month during which the loan closing occurs, if the development is occupied; or the rental of the initial unit in the development occurs, whichever is later. Subsequent HOME Program Reports shall be prepared as of the last day of each calendar month and are due to Florida Housing only no later than the 15th of each month throughout the regulatory period. Annually, for each year of the regulatory period, on a date established by the Corporation, the monitoring agent shall collect a copy of the Program Report accompanied by copies of ten percent (10%) of the executed Tenant Income Certifications that were effective during the reporting year. Additional reports and information shall be collected by the monitoring agent at such other times as Florida Housing or the monitoring agent may, in their discretion, request.

III. Management Review

The purpose of the Management Review is to evaluate management of the development, to conduct an onsite inspection of the premises, and to provide any information needed by the Developer in order to fulfill the compliance requirements. Follow-up reviews may be required, based on the quantity and nature of the issues found by the compliance monitor and/or failure to meet Uniform Physical Condition Standards during a management review.

A. Management Reviews will be conducted as follows:

1. Developments which have units occupied at the time of loan closing, the compliance monitor shall conduct the initial review on or before the 120th day after loan closing, and subsequent reviews will be conducted throughout the period of affordability as listed in the Subsequent Review Schedule below.
2. Developments with no units occupied at the time of loan closing, the compliance monitor shall conduct the initial review on or before the 120th day after the leasing of any HOME-assisted unit, and subsequent reviews will be conducted throughout the period of affordability as listed in the Subsequent Review Schedule below.
3. Subsequent Review Schedule

Total Units in Development	Frequency of Reviews
1-4	Within 3 years of the previous review
5-25	Within 2 years of the previous review
26+	Within 1 year of the previous review

4. A follow up review may be required, based on the quantity and nature of the issues found by the Servicer and/or failure to meet Uniform Physical Condition Standards during a management review. The compliance monitor may schedule a follow-up review, onsite or as a desk review, on or before the 90th day after the response due date. The compliance monitor shall re-examine previously reviewed files containing discrepancies and previous physical inspection issues, if any, to ensure the Developer or Management Company corrected noted discrepancies and issues. The compliance monitor shall also review additional files and/or inspect additional units shall be reviewed to determine whether acceptable procedures are being followed.

B. Management Review procedures include the following:

1. Physical inspection of units. The compliance monitor shall randomly select inspect a development's units to determine if those units meet the HUD Uniform Physical Condition Standards and/or local and state codes. The compliance monitor shall notify Management to provide notice pursuant to Section 83.53, Fla. Stat., to tenants for unit inspections.
  - a. Physical inspection includes: Inspection of the buildings including unit features including but not limited to green, energy and visitability features, development amenities, and the grounds (including landscaping) to evaluate overall appearance and compliance with LURA requirements and indicate findings on the Management Review and Physical Inspection Summary.
  - b. Quantity of units to be inspected: Fifteen percent (15%) of the HOME-assisted units with a minimum of one (1) unit per building, plus a minimum of two (2) other units randomly selected. When calculation of the percentage of units to inspect results in a fraction of a unit, that unit shall be considered to be included in the units that shall be inspected. Units selected shall be dispersed throughout the Development with no more than one unit selected per building, until one unit has been selected from each building, before selecting a second unit in any building.
2. Tenant Files and Records. The compliance monitor shall:
  - a. Randomly select for examination a minimum of fifteen percent

(15%) of the tenant files (of the set-aside units in the Development) with a minimum of one (1) unit per building. The compliance monitor shall review the sequence of the certification procedure to ensure that no person or family occupies a Development unit prior to being properly certified. Within each of the tenant's files reviewed, the compliance monitor shall inspect and verify the following:

1. Application(s) - check for completeness and inclusion of total income from all sources, including assets.
  2. Verification(s) of income - examine for completeness, timeliness and compare to the application and the initial and/or current Tenant Income Certification for agreement.
  3. Lease (initial and current) - examine to ensure that all occupants of the unit are listed, the lease is fully executed, the terms of the lease meet LURA and/or EUA requirements, and confirm that the current rent for the unit does not exceed applicable rent limits, if any.
  4. Tenant Income Certification (initial and/or current) - check for completeness and confirm the amount of income documented in the tenant file.
- b. The compliance monitor shall have the option of a desk audit. If a desk audit is performed, all costs of secure shipment of the tenant files shall be borne by the compliance monitor and the physical inspection of the property shall be conducted within 60 days of completion of the Desk Top Audit.
- c. For Developments receiving HOME funds whose tenants may be displaced as a result of the construction or rehabilitation of the Development also, at a minimum, review for compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. § 4601 et seq. and Federal implementing regulations at 49 CFR Part 24; and the requirements of section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended:
1. The Development's Anti-Displacement Policy;
  2. Evidence that the Developer provided advisory services to the tenants including notices; information booklets, explanation of assistance, referrals to social services, counseling and advice under the Fair Housing Act; and,

3. Payments to eligible tenants for the cost of temporary relocation, reimbursement of moving and related expenses; and the cost of replacement housing assistance for forty two (42) months if tenant's income is eighty percent (80%) AMI or sixty (60) months if tenant's income is less than eighty percent (80%) AMI are reasonable and included.
3. The administrative procedures of the developer/management company. Review the following administrative procedures at a minimum and indicate findings on the Management Review and Physical Inspection Summary:
  - a. Tenant selection and orientation
  - b. Maintenance program
  - c. Security program
  - d. Organization and supervision
  - e. Training
  - f. Advertising and Affirmative Fair Marketing
  - g. Tenant programs and services
  - h. Confirm that all terms and conditions of the regulatory agreement are being met
4. Transmittal of Management Review and Physical Inspection Summary
  - a. The compliance monitor shall prepare and send the Management Review Summary to the developer, the management company representative, the onsite manager and Florida Housing. The compliance monitor shall require the developer to acknowledge receipt of the Management Review and Physical Inspection Summary to the compliance monitor within 10 Days from the date the Summary was mailed and respond in writing to the compliance monitor and Florida Housing within 30 Days of the date the Summary was mailed. The response must address all noted discrepancies and indicate the manner in which corrective action has been made. The compliance monitor shall review the response to determine whether all discrepancies have been satisfactorily corrected and follow up with the developer or

management company representative until resolved.

- b. If a response has not been received by the due date, the compliance monitor shall follow up with the owner and Management Company until the response is received.

5. Close-Out Letters

The compliance monitor shall provide the owner, Management Company, and Florida Housing with a closeout letter when all discrepancies have been corrected satisfactorily, unless otherwise directed by Florida Housing.

### **Monitoring of Expenditures**

Florida Housing administers the HOME program and distributes HOME funds in accordance with 24 CFR Part 92 and Rules 67-48, 67-50 and 67-57, Florida Administrative Code (F.A.C.). HOME funds allocated by Florida Housing provide the necessary financial support to assist various activities aimed at creating long-term affordable, safe, decent, and sanitary housing for very low and low-income persons and households. Florida Housing administers these programs either through a competitive application, RFP process or a reservation system. It monitors all HOME activities to ensure compliance with program guidelines and certifies that proposed program activities are consistent with the State Consolidated Plan approved by the U.S. Department of Housing and Urban Development. The state's HOME program activities will be directed in the areas of acquisition, rehabilitation and new construction of rental and homeownership housing.

### **Federal Labor Standards**

In order to ensure the requirements of the Davis-Bacon Act, 40 United States Code 276a - 276a-5, as required by HUD, the Contract Work Hours and Safety Standards Act, 40 United States Code 327-333, and the Copeland Act, 40 United States Code 276c, are being met on any Development receiving a HOME Loan, Florida Housing will receive documentation sufficient for Florida Housing to certify to HUD that these requirements are being met.

- A. To aid in this process, Florida Housing shall perform the following functions:
  1. Provide compliance procedure guidelines regarding Federal Labor Standards monitoring.
  2. Have certification signed regarding debarment, suspension, ineligibility and voluntary exclusion.
- B. The Servicer of the HOME Loan, or its designee, shall be required to perform functions including, but not limited to, the following:
  1. Verify the general contractor's eligibility for contract award.

2. Forward information regarding Federal Labor Standards to the identified general contractor and all subcontractors.
3. Conduct a pre-construction conference to review the Federal labor standards. At a minimum, the developer and the general contractor shall attend. A Florida Housing representative may be in attendance.
4. Prepare and issue pre-construction conference minutes to Florida Housing and all attendees.
5. Re-verify wage rates of anticipated worker classifications using Davis-Bacon Act forms.
6. Verify authenticity of any apprenticeship programs and proper registration of identified apprentices.
7. Verify authenticity of any training programs and proper registration of identified trainees.
8. Conduct interviews of employees of the developer, general contractor or subcontractors using form HUD-11. This will include site interviews once a month, and mail interviews (postage paid return envelope provided) once a month.
9. Review the certified weekly payrolls from the developer, general contractor and all sub-contractors to monitor compliance as follows:
  - a. The payroll report is complete.
  - b. Classifications and wage rates are equal to or exceed the rates required by HUD.
  - c. Overtime hours and wages are properly calculated.
  - d. Fringe benefits have been paid in cash to an approved third party plan, fund, or program.
  - e. The ratio of apprentices to journeymen does not exceed the ratio stipulated under the approved program.
  - f. The ratio of trainees to journeymen does not exceed the ratio stipulated under the approved program.
10. Recommend withholding draw request disbursements to developers if certified payrolls have not been forwarded when due or if outstanding discrepancies have not been resolved.

11. Each month, prepare and forward a Federal Labor Standards Report to Florida Housing including the following:
  - a. Summaries of payroll reviews including all discrepancies and status of the resolution, including details of any restitution payments.
  - b. Dates of all monthly site and mail interviews, and summary of issues resulting from the interviews.
  - c. Any further information required for Florida Housing Finance Corporation to complete the HUD Semi-Annual Labor Standards Enforcement Report (SL/9804(1)).

### **Affirmative Marketing Program**

The Florida Housing Finance Corporation, as a state participating jurisdiction, certifies that, in accordance with Section 281 of the National Affordable Housing Act and 24 CFR Part 92.352, Department of Housing and Urban Development's Rules, prescribed procedures are acceptable to the Secretary and are established to oversee its affirmative marketing program.

The affirmative marketing steps shall consist of actions to provide information and otherwise attract eligible persons in the housing market area to the availability of housing without regard to race, color, national origin, sex, religion, familial status, or disability.

The state will require an affirmative marketing policy in conjunction with the states commitment for HOME funds. The affirmative marketing policy shall consist of the following elements:

- A. Informing the Public, Owners and Potential Tenants about Federal Fair Housing Laws: Recipients shall utilize acceptable methods for communicating affirmative marketing requirements which may include, but are not limited to, providing a copy of this policy to be used in all media releases, using the Equal Housing Opportunity logo and slogan in all media releases, and explaining the general policy to the media, property owners, and tenants involved with the HOME program.
- B. Requirements and Practices Recipients Must Adhere to When Advertising Vacant Units: When advertising for a HOME property, recipients may use commercial media (newspaper or television) or local community contacts, but should utilize the Equal Housing Opportunity logo or slogan and always use caution when documenting affordable housing (income and rent restrictions).
- C. Recipients' Outreach Requirements: Recipients shall solicit applications from persons in the housing market area who are not likely to apply. Persons not likely to apply are defined as those who are not the race/ethnicity of the residents of the neighborhood in which the unit is located. Examples of procedures to be adopted by all recipients may include, for example, selecting of community organizations, churches, employment

centers, fair housing groups, public housing authorities, or housing counseling agencies that provide services to, or have as members or persons in the group or groups least likely to apply to advertise the availability of housing.

- D. Record Keeping and Corrective Action (If Necessary): Recipients shall be required to maintain records that describe efforts taken to affirmatively market units. The state will review such records annually and if found unacceptable will provide the proper technical assistance to ensure appropriate affirmative marketing steps are being followed pursuant to 24 CFR 92.351. In addition, an agreement that shall be binding for specific period of time (during the affordability period of the units) shall be executed which will require compliance with 24 CFR 92.351.

### **Minority and Women Business Outreach**

The state will carry out activities and procedures in accordance with 24 CFR 92.350(b) under the Minority and Women's Business Enterprises (MBE/WBE) Outreach Program to further the objectives of Executive Orders 11625, 1232, and 12138.

Under the MBE/WBE Outreach Program, the state will make efforts to encourage recipients defined as state recipients, subrecipients, prime contractors and owners of HOME-assisted housing, to use minority and women-owned business enterprises that recipients may contact will include, but are not limited to the following: real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, and accountants. In addition, the state gives priority to outside environmental review and credit underwriting consultants who are associated with minority firms.

### **Section 3**

The state will carry out activities and procedures in accordance with 24 CFR Part 135 to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low- and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons. State recipients, sub recipients and prime contractors will be encouraged to make efforts to reach section 3 residents and business concerns through employment, training opportunities, and contracting.

## HOME Program Goal, Activities, and Outcomes

**GOAL: TO INCREASE AND PRESERVE THE SUSTAINABILITY AND AVAILABILITY OF SAFE, DECENT AND AFFORDABLE HOUSING FOR VERY LOW AND LOW INCOME PERSONS AND FAMILIES**

**ACTIVITY 1:** Rental Housing Rehabilitation – To provide funding through the HOME program for the rehabilitation of housing for low income families Expected Outcome: Enhance suitable living environment through improved sustainability

**ACTIVITY 2:** Rental Housing Development – To provide funding through the HOME program for the construction of housing for low income families Expected Outcome: Create decent housing with improved affordability

**ACTIVITY 3:** Tenant Based Rental Assistance – To provide decent, safe and sanitary housing to eligible families with preference given to those that have been displaced as a result of a natural disaster Expected Outcome: Enhance suitable living environment through improved accessibility

**ACTIVITY 4:** Owner Occupied Housing Rehabilitation – To assist current homeowners with repair or reconstruction with preference given to those impacted by a natural disaster Expected Outcome: Enhance suitable living environment through improved sustainability

**ACTIVITY 5:** Direct Homebuyer Assistance – To assist homebuyers with financing of a home purchase of new construction. Also, to facilitate the provision of safe, decent, sanitary, and affordable housing stock throughout the state of Florida. Expected Outcome: Create decent housing with improved affordability and availability.

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**HOME'S TABLE 3A**

Grantee Name: Program Year: 2013	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
<b>Annual Affordable Rental Housing Goals (SEC. 215)</b>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	1063		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	78		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	500		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Rental</b>	1641		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Annual Affordable Owner Housing Goals (SEC. 215)</b>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		
Production of new units			<input type="checkbox"/>	<input type="checkbox"/>		
Rehabilitation of existing units			<input type="checkbox"/>	<input type="checkbox"/>		
Homebuyer Assistance	200		<input type="checkbox"/>	<input checked="" type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Owner</b>	200		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Annual Affordable Housing Goals (SEC. 215)</b>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Homebuyer Assistance			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Housing</b>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Annual Affordable Housing Goals (SEC.215)</b>						
Homeless households			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...Non-homeless households			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...Special needs households			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Annual Housing Goals</b>						
Annual Rental Housing Goal			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Annual Housing Goal</b>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Table 3C (Optional)**

**Annual Action Plan  
Planned Project Results**

<b>Outcomes and Objectives</b>	<b>Performance Indicators</b>	<b>Expected Number</b>	<b>Activity Description</b>
Rental Housing (HOME)	Housing Units	70	DH-2
Owner Housing (HOME)	Households	200	DH-2
<b>*Use one of 9 outcome/objective categories</b>			
	<b>Availability/ Accessibility</b>	<b>Affordability</b>	<b>Sustainability</b>
<b>Decent Housing</b>	DH-1	DH-2	DH-3
<b>Suitable Living Environment</b>	SL-1	SL-2	SL-3
<b>Economic Opportunity</b>	EO-1	EO-2	EO-3

**Table 2A (Required)**

**State Priority Housing/Special Needs/Investment Plan Table**

<b>PART 1. PRIORITY HOUSING NEEDS</b>		<b>Priority Level</b>	
		<b>Indicate High, Medium, Low, checkmark, Yes, No</b>	
<b>Renter</b>	<b>Small Related</b>	0-30%	
		31-50%	
		51-80%	
	<b>Large Related</b>	0-30%	
		31-50%	
		51-80%	
	<b>Elderly</b>	0-30%	
		31-50%	
		51-80%	
	<b>All Other</b>	0-30%	H
		31-50%	H
		51-80%	H
<b>Owner</b>	0-30%	H	
	31-50%	H	
	51-80%	H	
<b>PART 2 PRIORITY SPECIAL NEEDS</b>		<b>Priority Level</b>	
		<b>Indicate High, Medium, Low, checkmark, Yes, No</b>	
<b>Elderly</b>			
<b>Frail Elderly</b>			
<b>Severe Mental Illness</b>			
<b>Developmentally Disabled</b>			
<b>Physically Disabled</b>			
<b>Persons w/ Alcohol/Other Drug Addictions</b>			
<b>Persons w/HIV/AIDS</b>			
<b>Victims of Domestic Violence</b>			
<b>Other</b>		H	

**Table 2A (Optional)**  
**State Priority Housing Activities/Investment Plan Table**

<b>PART 3 PRIORITY HOUSING ACTIVITIES</b>	<b>Priority Level</b> Indicate High, Medium, Low, checkmark, Yes, No
<b>CDBG</b>	
Acquisition of existing rental units	
Production of new rental units	
Rehabilitation of existing rental units	
Rental assistance	
Acquisition of existing owner units	
Production of new owner units	
Rehabilitation of existing owner units	
Homeownership assistance	
<b>HOME</b>	
Acquisition of existing rental units	
Production of new rental units	H
Rehabilitation of existing rental units	H
Rental assistance	H
Acquisition of existing owner units	
Production of new owner units	
Rehabilitation of existing owner units	
Homeownership assistance	H
<b>HOPWA</b>	
Rental assistance	
Short term rent/mortgage utility payments	
Facility based housing development	
Facility based housing operations	
Supportive services	
<b>Other</b>	

## **HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)**

### **Executive Summary**

The Florida Department of Health administers the state Housing Opportunities for Persons With AIDS (HOPWA) program. The HIV/AIDS and Hepatitis Section, Patient Care Resources Unit is the designated office within the Department, which has the lead responsibility for management of the program. The Department contracts with local community organizations and county health departments as project sponsors to provide HOPWA services in ten Ryan White Part B consortium geographical areas throughout the state. These areas receive state HOPWA funds at the local level for services in 51 of Florida's 67 counties. There are nearly 19,500 persons living with HIV/AIDS in the state program's jurisdiction. The areas are mainly rural with a high concentration of low-income individuals (minimum wage or Social Security Disability Income), the majority of which rent housing and are not at high-risk of becoming homeless.

This federally funded state program serves those areas of the state that do not directly qualify for HOPWA funding as eligible metropolitan statistical areas (EMSAs). The remaining 16 counties not included in the state program's service areas qualify as EMSAs, and receive funding directly from the U.S. Department of Housing and Urban Development (HUD). The local level manages these funds. There are currently 11 federally established EMSAs in Florida. The Florida Department of Health may administer grant funds designated by HUD to a new EMSA under an annual re-designation agreement, which is done for five EMSA counties.

The goals of Florida's housing program are to prevent the condition of homelessness from occurring to individuals or families living with HIV/AIDS; or if already homeless, to transition the individuals or families back into stable housing as soon as possible, as well as to create a strategy for long-term housing stability for persons living with HIV/AIDS. The program places emphasis on the connection between housing assistance and appropriate supportive services available through HOPWA and other funding sources, such as Ryan White Part B and state general revenue. Therefore, support services that contribute to stable housing will be readily available to HOPWA clients.

Florida's Ryan White Part B HIV/AIDS state and local planning bodies are responsible for providing recommendations to the Department relating to HOPWA eligibility requirements, as well as other requirements that may be more restrictive than those outlined in the federal regulations and state guidelines. Since the Florida Department of Health, as the state HOPWA grantee, is ultimately responsible and accountable to HUD for the state program activities, the Department reviews the recommendations within the parameters of the state and federal requirements before implementation.

Florida distributes program funds geographically according to the state action plan to provide for short-term housing including rent, mortgage, utility assistance, and other select short-term housing services allowed by federal regulations for eligible individuals and families living with HIV/AIDS. The state program bases its annual area funding allocation on the cumulative number of reported living HIV/AIDS cases in the ten geographical areas, each area's

proportionate share of the cumulative number of living HIV/AIDS cases, utilization rates, and available funds. A minimum of 97% of state HOPWA funds is allocated statewide through contracts with 12 project sponsors to carry out eligible program services and activities. These contracts are managed at the local level.

Actions taken to address the special needs of persons who are not homeless, but require supportive services, are done in conjunction with the Florida Supportive Housing Coalition. The Department remains on the board and continues a shared commitment, focusing on the strategic plan that is updated periodically to address the special needs of persons who require supportive housing services for stability. In addition to case management staff assessing supportive service needs and ensuring that Ryan White Part B and state general revenue programs provide these services, the state is working with the coalition to expand supportive housing for persons with special needs. The coalition has identified major federal and state funding streams to provide community, tenancy, and employment support for clients.

## **Resources and Objectives**

### *Federal and Other Resources*

The high cost of health care contributes to the large number of individuals who are homeless or are on the verge of becoming homeless. Therefore, in addition to \$5,263,156 HOPWA funds expected for the upcoming program year, other funds available for care and support services for Florida's HIV/AIDS population include state of Florida general revenue and federal Ryan White Part B. The total amount of funding expected from these two sources is \$176,320,651. The state program project sponsors will leverage other public and private resources to address needs identified in client housing service plans, and to reduce the cost of services whenever possible. Leveraged funds primarily will be used for additional housing activities, including permanent housing placement, case management, and other supportive services to address the short-term and long-term housing needs of persons living with HIV/AIDS in the service area.

### *Annual Objectives*

The state program will provide financial resources to assist clients in stabilizing their living situations, and increasing their chances of maintaining and achieving self-sufficiency to ultimately prevent homelessness. The estimated number of clients/households to be assisted is 3,625.

## **Activities**

### *Distribution of Funds*

Florida distributes funds annually based on the cumulative number of reported living HIV and AIDS cases in ten geographical service areas through December 31, 2012. The allocation is based on each area's proportionate share of the cumulative number of living HIV and AIDS cases, utilization rates, and available funds. The allocation methodology is reviewed

periodically, and the Florida Department of Health takes recommendations into account prior to making final annual allocation decisions. EMSAs of the state that qualify for direct HOPWA funding from HUD may be eligible to receive state HOPWA program funds only when funds exist beyond the amount required to meet 100% of the need of the state program service areas.

A minimum of 97% of the state HOPWA grant award will be allocated statewide to 12 project sponsors to carry out eligible services and activities for the state program. These project sponsors are local community organizations as well as county health departments. In order to ensure that the state pays a fair and reasonable price for the services to be provided, and to enhance quality, availability, and collaboration within the state housing program, the Department drafted a Request for Proposal consisting of a four year contract cycle. For the first HOPWA fiscal year (2012-2013), contracts were only for a 9 month period starting on October 1, 2012; for the remaining three years contracts will be for the full 12 months. Funds were allocated within each geographical area in accordance with the methodology described. Approximately \$5,105,261 (97%) of the FFY 2013 grant award will be used to benefit eligible persons whose income does not exceed 80% of the median family income for the area served. The remaining 3% of the grant award will be used to cover grantee administrative costs. EMSA funds re-designated to the state HOPWA program will be administered by the Department in the same manner and for the same activities as the state HOPWA program.

In addition to FFY 2013 grant award funds, unspent funds from prior fiscal years will be used to address priority needs during the program year. Approximately \$5,567,890 will be contracted for the provision of state program services and activities.

*Activities and Services (Priorities)*

Housing services will be provided to eligible low-income individuals with documented HIV disease and their families. Currently, an eligible person for enrollment in the state program is a person who meets the following minimum requirements: enrollment through a case manager, documented HIV positive status, documented income that does not exceed 80% of the median income for the area, and verifiable documentation of need. The following state HOPWA program eligible activities are planned to help households achieve stable housing:

	<b>Activities</b>	<b>Number of Households Planned to Serve (HOPWA Funds)</b>	<b>Number of Households Planned to Serve (Non-HOPWA)</b>
1.	Short-Term Rent, Mortgage, and Utility Payments (STRMU) ----- -- • To prevent homelessness of the tenant or mortgagor of a dwelling	2,041	68

2.	Short-Term Supported Housing Facility Assistance (Transitional Housing) ----- --- <ul style="list-style-type: none"> <li>To provide temporary shelter to eligible individuals</li> </ul>	54	12
3.	Supportive Services <ul style="list-style-type: none"> <li>Housing Case Management -----  -----  <i>(provided by project sponsors also delivering HOPWA housing assistance)</i></li> <li>Housing Case Management-----  -----  <i>(provided by project sponsors serving households who have other housing arrangements)</i></li> <li>Other Services, allowable under 574.300 (b)(7)  -----  <i>(provided by project sponsors also delivering HOPWA housing assistance)</i></li> <li>Other Services, allowable under 574.300 (b)(7)  -----  <i>(provided by project sponsors serving households who have other housing arrangements)</i></li> </ul>	2,313  525  650  0	60  465  0  450
4.	Housing Placement Assistance Activities <ul style="list-style-type: none"> <li>Housing Information Services -----  -----</li> <li>Permanent Housing Placement Services -----  -----</li> </ul>	601 232	538 35
5.	Resource Identification ----- ----- <ul style="list-style-type: none"> <li>To establish, coordinate, and develop housing assistance resources for eligible persons and to enable referrals to other needed services</li> </ul>	N/A	N/A
6.	Tenant-Based Rental Assistance (TBRA) ----- ----- <i>(long-term housing; Monroe County only)</i>	47	65

7.	Grantee and Project Sponsors' Administrative Services	N/A	N/A
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Tenant-Based Rental Assistance (TBRA) was approved as a part of the housing continuum to provide a permanent housing option for the Monroe County service area, effective July 1, 2008. This project will continue in fiscal year 2013 consistent with 24 CFR Part 574.300(5), and the Division of Communicable Diseases, HIV/AIDS and Hepatitis Section, Patient Care Program's TBRA Guidelines (July 1, 2008) and subsequent revisions.

On March 20, 2009, President Obama signed the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH), which consolidated HUD's homeless funding streams, increased emphasis on homeless prevention, added rapid re-housing as a solution to homelessness, and expanded HUD's definition of homelessness. The state HOPWA program demonstrates its understanding of HUD's increased emphasis toward permanent housing solutions through the inclusion of TBRA as an allowable activity for use in all state HOPWA program service areas. The state HOPWA program staff will revise policies and procedures for operation of the long-term housing option, and will work with current as well as any new project sponsors to familiarize them with TBRA. Before TBRA may be added during the program year to other service areas, project sponsors will be required to develop a proposed implementation plan to reflect inclusion of the long-term housing option into their established housing continuum of care. This will include area plans to enhance or establish collaborative relationships with other local housing providers that include local Public Housing Authorities, and city and county governments.

The types of state HOPWA program benefits include, but are not limited to: rent or mortgage payments, utility payments, security deposits, credit checks, utility hookup and processing costs, supportive services such as case management, counseling to help develop a housing service plan, support to enable access to care and treatment, as well as help to complete public housing applications and referrals to other needed services.

Activities under the state HOPWA program will be carried out in a manner that addresses the program's intent to devise long-term strategies for meeting the housing needs of persons with HIV disease and their families. The program will allow resource identification activities to establish, coordinate, and develop housing assistance resources for eligible persons. This includes conducting preliminary research and making expenditures necessary to determine the feasibility of specific housing-related initiatives.

By focusing on short-term and long-term rental assistance rather than construction or housing rehabilitation, persons will not be displaced. The Florida Department of Health may approve the use of state HOPWA funds for non-traditional supportive services, such as pharmaceuticals and other health care services, described in 24 CFR 574.300(b)(7). Clients will also be afforded access to supportive services funded under Ryan White Part B and state general revenue programs including, but not limited to, medical care, transportation, insurance, dental, and

counseling services.

Project sponsors may use up to 7% of the total contract amount to cover administrative costs. Costs for Resource Identification activities are limited to no more than 5% of the total direct care budget. Up to 35% of the total amount budgeted for direct care services may be used for allowable supportive services under 24 CFR, Part 574.300(b)(7), including case management services but excluding permanent housing placement services, which can be a separate budget line item. The cost for short-term and long-term rent is based on the fair market rent value for the area, while payments for mortgage and utilities may be at the specified amount. Local areas are permitted to apply caps or limitations on the amount of assistance that will be provided in the area. These caps or limits will be applied in a uniform, consistent, and non-discriminatory manner. Costs for short-term supported housing facilities shall not exceed costs applied to the unassisted market. All services provided by HOPWA will comply with requirements pursuant to 24 CFR, Part 574.310, and CPD 06-07.

Time limitations for short-term housing in many areas of the state are sometimes too brief to enable clients to achieve financial independence and establish permanent living arrangements. In order to ensure that homelessness does not occur when clients are confronted with time constraints, wait lists for public housing, and high costs of local permanent housing, the Florida Department of Health will seek HUD's approval to waive the current time limitations for short-term housing. Waivers will be requested on a case-by-case basis in accordance with 24 CFR, Part 574.330(a)(2): *Waiver of time limitations*. Project sponsors will be required to provide documentation of individual circumstances that justify requests for waiver of time limitations.

The Patient Care Resources Unit used several mechanisms that have undergone continuous improvement over the years to determine the needs of persons living with HIV disease. The HIV/AIDS and Hepatitis Section requires all 14 geographical areas of the state to provide service delivery and demographic usage data in order to assess statewide use of services and to evaluate program effectiveness. This information is used in conjunction with needs assessment data to develop a Statewide Coordinated Statement of Need that addresses the core services every client is intended to receive. Local planning bodies are required to conduct a comprehensive needs assessment of their communities every three years and provide an annual update. The Florida Department of Health recognized the need for consistent reporting within the state, and collaborated with the Institute for Health, Policy and Evaluation Research in 2004 to create a standardized data collection protocol and needs assessment survey for persons living with HIV/AIDS. When the Department sought to refine and improve the survey in 2009, a housing component was incorporated within the tool to lessen the burden on clients to complete multiple surveys while providing the state HOPWA program with the necessary information to assess housing needs, barriers, and service gaps more effectively. In early 2013 when this survey needed to be updated again, it was acknowledged that the housing component needed to be more comprehensive and a separate more in-depth housing survey would be needed. Therefore, the housing component of the 2010 survey was deleted, and the state HOPWA program will be working with a technical assistance provider (Collaborative Solutions, Inc.) to develop this separate, more comprehensive housing needs assessment

survey.

The planning bodies are required to review HIV/AIDS epidemiological data, demographic information from clients served and from communities, conduct focus groups and surveys, develop resource inventories, review provider capacity needs and provider capacity profiles, assess service gaps, and conduct client satisfaction surveys. This needs assessment process is coordinated with other funding streams. To maximize the efficient expenditure of scarce resources, the state will provide a continuum of care by planning for a variety of services and will continue to use the planning bodies to provide the Florida Department of Health with needs assessment outcomes, as well as planning and prioritization recommendations for the state HOPWA program. The HIV/AIDS and Hepatitis Section communicates to the planning bodies and project sponsors through local contract manager and HIV/AIDS program coordinator positions that are located in the respective geographical areas (mostly state county health departments). These local positions have direct communications with the state HOPWA program coordinator in the section, headquartered in Tallahassee.

The Patient Care Planning Group (PCPG) exemplifies the coordinated and integrated approach to HIV/AIDS in the state of Florida. Acknowledging the complexity and challenges involved in mounting an effective response to a growing problem, the PCPG channels the energies of its members through a process that ensures the broadest representation and client input. It is comprised of representatives from each of the 14 geographical areas of the state, bringing together a diverse group of individuals and entities infected and affected by HIV/AIDS into an integrated process of community planning. The PCPG has been highly successful in creating a forum for discussion and follow-up action, and instrumental in developing an HIV/AIDS patient care comprehensive plan every three years.

The lack of stable, available, and affordable housing continues to be stated as one of the most prevalent barriers to care identified through the community planning process that generally apply to the majority of clients served by the 14 geographical areas. In some areas of the state, the percentage of homelessness among those living with HIV/AIDS is almost twice the rate observed in the general population. Bringing homeless persons living with HIV/AIDS into care and keeping them in care continues to be a challenge, regardless of rural or urban locations. Being adequately housed is a major determinant for a client being able to adhere to a medical plan of care. Affordable housing is essential to stabilize those clients who are the lowest income and the most fragile.

The following table reflects a regional breakout of the statewide and local planning bodies, including the total reported HIV and AIDS cases in the state program service areas. It also includes the ten state program local planning bodies, counties served within each service area, and the reported number of living HIV and AIDS cases (excluding the Department of Corrections) based on the Florida Department of Health, January 2013 Monthly Surveillance Report:

*HIV/AIDS Florida Community Planning*

<p><b>Statewide</b>  <b><u>Patient Care Planning Group (PCPG)</u></b>          The PCPG meets face-to-face two times a year and as needed through interactive web conferences in order to provide guidance to local planning bodies.</p>	<p><u>Cases:</u> 19,413  <u>Service Area:</u> Florida</p>
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*HIV/AIDS Local Planning Bodies*

<p><b>Area 1 – Pensacola</b>  <b><u>Northwest Florida AIDS Consortium</u></b></p>	<p><u>Cases:</u> 1,670  <u>Service Area:</u> Escambia, Okaloosa, Santa Rosa, and Walton Counties</p>
<p><b>Area 2A – Panama City</b>  <b><u>Central Panhandle AIDS Network</u></b></p>	<p><u>Cases:</u> 551  <u>Service Area:</u> Bay, Calhoun, Gulf, Holmes, Jackson, and Washington Counties</p>
<p><b>Area 2B – Tallahassee</b>  <b><u>Red Ribbon Alliance of the Big Bend Area</u></b></p>	<p><u>Cases:</u> 1,519  <u>Service Area:</u> Franklin, Gadsden, Jefferson, Leon, Liberty, Madison, Taylor, and Wakulla Counties</p>
<p><b>Area 3/13 – Gainesville</b>  <b><u>North Central Florida CARE Consortium</u></b></p>	<p><u>Cases:</u> 3,018  <u>Service Area:</u> Alachua, Bradford, Citrus, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Lake, Levy, Marion, Putnam, Sumter, Suwannee, and Union Counties</p>
<p><b>Area 6/14 – Tampa</b>  <b><u>West Central Florida Ryan White Care Council</u></b></p>	<p><u>Cases:</u> 2,910  <u>Service Area*:</u> Hardee, Highlands, Manatee, and Polk Counties</p>
<p><b>Area 7 – Orlando</b>  <b><u>East Central Florida AIDS Network</u></b></p>	<p><u>Cases:</u> 1,298  <u>Service Area*:</u> Brevard County</p>
<p><b>Area 8 – Ft. Myers</b>  <b><u>Southwest Florida Regional HIV/AIDS Council</u></b></p>	<p><u>Cases:</u> 3,962  <u>Service Area*:</u> Charlotte, Collier, DeSoto, Glades, Hendry, Lee, and Sarasota Counties</p>
<p><b>Area 11B – Key West</b>  <b><u>Florida Keys HIV/AIDS Community Planning Partnership</u></b></p>	<p><u>Cases:</u> 690  <u>Service Area:</u> Monroe County</p>
<p><b>Area 12 – Daytona Beach</b>  <b><u>Partnership for Comprehensive HIV/AIDS Planning</u></b></p>	<p><u>Cases:</u> 1,503  <u>Service Area:</u> Flagler and Volusia Counties</p>

<b>Area 15 – Ft. Pierce</b> <b><u>AIDS Consortium of the Treasure Coast</u></b>	<u>Cases:</u> 2,292 <u>Service Area:</u> Indian River, Martin, Okeechobee, and St. Lucie Counties
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\*Brevard, Lee, Polk, and Sarasota/Manatee-Bradenton Counties are HOPWA EMSAs administered through the state HOPWA program. Cases for these counties are included within their respective service areas.

**Performance Outcomes**

The Florida Department of Health will follow the reporting system established by HUD for the HOPWA program, and report program outcomes according to the following outcome measures:

- Increase the percentage of eligible clients/households able to establish and better maintain suitable stable housing.
- Improve accessibility to health care and other support services for eligible clients/households.
- Reduce the risk of homelessness among individuals and families living with HIV/AIDS.

**Geographic Distribution**

*Geographic areas of the state in which assistance will be directed during the program year*

The Florida Department of Health currently contracts with 12 project sponsors to administer the state HOPWA program in a designated geographical area, the majority of which are rural. Ten of Florida’s 14 Ryan White Part B consortia/planning bodies provide recommendations for needs assessments, planning, and prioritization for the state HOPWA funds. The five consortia/planning body areas not listed are EMSAs that receive funding directly from HUD. The state program provides funds for HOPWA services in 51 of Florida’s 67 counties. The EMSAs, including those administered by the state, provide services for the remaining 16 counties. The following table depicts the current project sponsors, which will be funded through June 30, 2014.

PROJECT SPONSORS	SERVICE AREAS
<p><b>Area 1</b>  <b><u>Lutheran Services Florida, Inc., Northwest</u></b>  Address: <u>4610 W Fairfield Drive</u>  City: <u>Pensacola, FL 32501</u>  Telephone: <u>(850) 497-7157</u></p>	<p><u>Service Area:</u> Escambia, Okaloosa, Santa Rosa, and Walton Counties</p>
<p><b>Area 2A</b>  <b><u>BASIC NWFL, Inc.</u></b>  Address: <u>432 Magnolia Avenue</u>  City: <u>Panama City, FL 32402</u>  Telephone: <u>(850) 785-1088</u></p>	<p><u>Service Area:</u> Bay, Calhoun, Gulf, Holmes, Jackson, and Washington Counties</p>
<p><b>Area 2B</b>  <b><u>Big Bend Cares, Inc.</u></b>  Address: <u>2201 S Monroe Street</u>  City: <u>Tallahassee, FL 32301</u>  Telephone: <u>(850) 656-2437</u></p>	<p><u>Service Area:</u> Franklin, Gadsden, Jefferson, Leon, Liberty, Madison, Taylor, and Wakulla Counties</p>
<p><b>Area 3/13</b>  <b><u>WellFlorida Council, Inc.</u></b>  Address: <u>1785 NW 80<sup>th</sup> Boulevard</u>  City: <u>Gainesville, FL 32606</u>  Telephone: <u>(352) 313-6500</u></p>	<p><u>Service Area:</u> Alachua, Bradford, Citrus, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Lake, Levy, Marion, Putnam, Sumter, Suwannee, and Union Counties</p>
<p><b>Area 6</b>  <b><u>Hillsborough County Health Department</u></b>  Address: <u>1105 E Kennedy Boulevard, Suite 302</u>  City: <u>Tampa, FL 33602</u>  Telephone: <u>(813) 307-8015</u></p>	<p><u>Service Area:</u> Manatee County</p>
<p><b>Area 7</b>  <b><u>United Way of Brevard County, Inc.</u></b>  Address: <u>937 Dixon Boulevard</u>  City: <u>Cocoa, FL 32922</u>  Telephone: <u>(321) 631-2740</u></p>	<p><u>Service Area:</u> Brevard County</p>

<p><b>Area 11B</b>  <b><u>Monroe County Health Department</u></b>  Address: E.H. Gato Building, <u>1100 Simonton Street</u>  City: <u>Key West, FL 33040</u>  Telephone: <u>(305) 293-7520</u></p>	<p><u>Service Area:</u> Monroe County</p>
<p><b>Area 12</b>  <b><u>Health Planning Council of Northeast Florida, Inc.</u></b>  Address: <u>644 Cesery Boulevard, Suite 210</u>  City: <u>Jacksonville, FL 32211</u>  Telephone: <u>(904) 723-2162</u></p>	<p><u>Service Area:</u> Flagler and Volusia Counties</p>
<p><b>Area 14</b>  <b><u>Highlands County Health Department</u></b>  Address: 7205 S George Boulevard  City: Sebring, FL 33875  Telephone: (863) 382-7236</p> <hr/> <p><b><u>Polk County Health Department</u></b>  <u>Address: 1255 Brice Boulevard</u>  City: <u>Bartow, FL 33830</u>  Telephone: (863) 519-8233</p>	<p><u>Service Area:</u> Highlands and Hardee Counties</p> <hr/> <p><u>Service Area:</u> Polk County</p>
<p><b>Area 15</b>  <b><u>St. Lucie County Health Department</u></b>  Address: <u>5150 NW Milner Drive</u>  City: <u>Port St. Lucie, FL 34983</u>  Telephone: <u>(772) 462-3849</u></p>	<p><u>Service Area:</u> Indian River, Martin, Okeechobee, and St. Lucie Counties</p>

**Homeless and Other Special Needs Activities**

*Plans during the program year to address transitional housing needs of homeless individuals and families, or to prevent low-income individuals and families from becoming homeless, or to help persons make the transition to permanent housing and independent living*

Refer to the above section of “Activities”, and then the “Activities and Services (Priorities)” subsection for activities and plans to prevent individuals and families from becoming homeless.

## **Other Actions**

*Plans during the program year to address underserved needs, foster and maintain affordable housing, and enhance coordination between the public and private housing and social services agencies*

The Florida Department of Health will remain active and involved in board activities of the Florida Supportive Housing Coalition. The Coalition and the Department are committed to creating long-term housing solutions for people with special needs, including persons living with HIV disease in Florida. The board promotes the development of partnerships to create effective approaches to ending homelessness and solving the housing crisis in Florida. A statewide workgroup of members that include the coalition board, members of multiple statewide partner coalitions, and representatives from various state agencies, including the Florida Department of Health, will continue to convene. The workgroup will review goals and report accomplishments of the five-year strategic plan developed to provide supportive housing, as well as prevent and reduce homelessness throughout Florida.

The Corrections Infections Workgroup continues to focus on transitional planning, which is essential for HIV-infected inmates, particularly in the areas of housing, employment, and substance abuse. This workgroup provides an opportunity for the Department of Juvenile Justice; the Department of Children and Families' offices of mental health and substance abuse; the Florida Department of Health's sections of HIV/AIDS and hepatitis, STDs, and tuberculosis; the Florida Department of Health Correctional Medical Authority; and the Department of Corrections to discuss changes in their programs, and how to collaborate on behalf of their common clients who are incarcerated and soon to be released.

Eligibility requirements are established by Chapter 64D-4 of the Florida Administrative Code to improve the management of HIV/AIDS patient care programs statewide. The programs include: HOPWA, the AIDS Drug Assistance Program (ADAP), ADAP Premium Plus (previously the AIDS Insurance Continuation Program, or AICP), the Ryan White Part B Consortia Patient Care Programs, and other state patient care programs administered by the HIV/AIDS and Hepatitis Section. All of these programs are intended for low-income persons with HIV disease. The state HOPWA program's current income requirements of 80% of the median income will remain unchanged, except in a very few counties in which 80% of the median income for the area is more than 400% of the Federal Poverty Level. To address specific program income requirements for HOPWA, language is included in the eligibility procedures manual to read "80% of the median income or 400% of the Federal Poverty Level, whichever is less." The standardized eligibility requirements are within HUD regulations that allow the state program to be more restrictive, not more lenient.

The state HOPWA Program Guidelines are used to ensure uniformity and consistency statewide to all of Florida's project sponsors. However, these guidelines are from 2001 and need to be updated in which the state HOPWA program is and will be doing with assistance from Collaborative Solutions, Inc. in the current and next program year. Therefore, requirements listed in CPD 06-07 are used and supersedes related information in the 2001 guidelines. The

updated policies and procedures (including STRMU and TBRA) in the state HOPWA Program Guidelines will provide more detailed clarification for current activities, and will serve as comprehensive guidance on the implementation of long-term permanent housing as a statewide activity. Standardization of HOPWA policies and procedures will improve service delivery, provide for fair and equitable access to services, and alleviate problems of inconsistency associated with local program guidelines. With the Department's prior approval, project sponsors may outline program requirements that are more restrictive at the local level than the state guidelines.

The Florida Department of Health's HOPWA advisory workgroup will convene periodically to address local needs and work to improve Florida's HOPWA program. An action plan will be used to ensure a step-by-step process to achieve objectives of the workgroup. Telephone conferences and site meetings will be held. The workgroup will participate in the review of the draft policies and procedures.

Statewide Resource – [www.FloridaHousingSearch.org](http://www.FloridaHousingSearch.org) is being used as a statewide resource to find available and affordable rental housing.

Local Community Resources - Project sponsors will be encouraged to develop relationships with local community-based organizations, shelters, homeless coalitions, and other charitable organizations to facilitate information and referrals to clients in order to meet the additional needs not available through the state HOPWA program. Project sponsors will also be encouraged to use public and community resources to address the critical housing needs of HOPWA clients, to prevent homelessness, and to reduce the cost of services whenever possible to enhance client integration into the community. Project sponsors will assign a representative to participate in the local Continuum of Care homeless planning process. Information gathered through the annual report and the HIV/AIDS planning process regarding needs and barriers of persons living with HIV/AIDS will be disseminated to the local continuum of care coordinators.

### **Program-Specific Requirements**

*Goals for the number of households to be provided housing assistance, and the method used to select project sponsors*

The goal of the state HOPWA program is to increase housing stability, and improve the quality of life for clients and their families. Refer to the above section of "Activities", and then the "Activities and Services (Priorities)" subsection for the plan on number of households to be assisted during the program year.

Project sponsors are selected in compliance with the state of Florida's procurement statutes and regulations. Funding for housing assistance is made available through contracts with project sponsors, most of whom are Ryan White Part B agencies and some that are county health departments, in ten geographical areas of the state.

Monitoring - The Florida Department of Health has a comprehensive contract management process that ensures contracting methods are administratively efficient and clear to contract managers. Department contract managers at the local level are responsible for enforcing the contract terms and conditions, including monitoring service providers for compliance with performance standards, Florida Statutes, federal regulations, and departmental policy. The Department's process encourages optimal project sponsor performance. Project sponsors are required to have an on-site monitoring at least once annually. A written report is submitted to project sponsors clearly identifying strengths, weaknesses, and areas of concern. Adverse findings are addressed with corrective action plans or other appropriate measures. Corrective action requirements are specific with timeframes and suggested methods for correction. The Florida Department of Health staff provides follow-up site visits and technical assistance. Non-compliance with required corrective action(s) may result in delayed or no reimbursements for project sponsor services, or termination if non-compliance issues remain beyond the corrective action timeline indicated. The Department currently uses a standardized monitoring tool for programmatic monitoring of HOPWA project sponsors.

The Florida Department of Health is re-developing the quality management program to assess and build capacity within Ryan White-funded agencies statewide. The program will provide valid and reliable outcome data that can support policies, decision-making and priority setting, and improve quality in meeting the service and housing needs of people infected with HIV/AIDS. Comments and recommendations on the Department's performance in meeting its stated goals and objectives, as well as measuring strengths and weaknesses in the delivery of HIV/AIDS patient care services and housing services, will continue to be solicited through consumer satisfaction surveys. Recommendations and observations will provide insightful and important information specifically relating to client services, case management, full participation/full access, minority issues, and client rights. Recommendations resulting from quality management activities will be incorporated into the strategic plan, which will guide future activities to ultimately standardize programs to have a built-in mechanism for quality management.

### **Certifications**

Signed certifications for the state HOPWA program were transmitted under separate cover.

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**Table 1 Housing, Homeless and Special Needs (Required)**

**Housing Needs**

Household Type	Elderly Renter	Small Renter	Large Renter	Other Renter	Total Renter	Owner	Total
<b>0 –30% of MFI</b>							
%Any housing problem							
%Cost burden > 30							
%Cost Burden > 50							
<b>31 - 50% of MFI</b>							
%Any housing problem							
%Cost burden > 30							
%Cost Burden > 50							
<b>51 - 80% of MFI</b>							
%Any housing problem							
%Cost burden > 30							
%Cost Burden > 50							

**Homeless Continuum of Care: Housing Gap Analysis Chart**

	Current Inventory	Under Development	Unmet Need/ Gap
--	-------------------	-------------------	-----------------

**Individuals**

Example		100	40	26
	<b>Emergency Shelter</b>			
<b>Beds</b>	Emergency Shelter			
	Transitional Housing			
	Permanent Supportive Housing			
	Total			
Chronically Homeless				

Persons in Families With Children

<b>Beds</b>	Emergency Shelter			
	Transitional Housing			
	Permanent Supportive Housing			
	Total			

**Continuum of Care: Homeless Population and Subpopulations Chart**

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Families with Children (Family Households)				
1. Number of Persons in Families with Children				
2. Number of Single Individuals and Persons in Households without Children				
<b>(Add lines Numbered 1 &amp; 2 Total Persons)</b>				
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total
a. Chronically Homeless				
b. Seriously Mentally Ill				
c. Chronic Substance Abuse				
d. Veterans				
e. Persons with HIV/AIDS	36			
f. Victims of Domestic Violence				
g. Unaccompanied Youth (Under 18)				

**Table 1 Housing, Homeless and Special Needs**

<b>Special Needs (Non-Homeless) Subpopulations</b>	<b>Unmet Need</b>
1. Elderly	
2. Frail Elderly	
3. Severe Mental Illness	
4. Developmentally Disabled	
5. Physically Disabled	
6. Persons w/Alcohol/Other Drug Addictions	
7. Persons w/HIV/AIDS	1,863
8. Victims of Domestic Violence	
9. Other	

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**Table 2A (Required)**

**State Priority Housing/Special Needs/Investment Plan Table**

<b>PART 1. PRIORITY HOUSING NEEDS</b>		<b>Priority Level</b>	
		<b>Indicate High, Medium, Low, checkmark, Yes, No</b>	
<b>Renter</b>	<b>Small Related</b>	0-30%	
		31-50%	
		51-80%	
	<b>Large Related</b>	0-30%	
		31-50%	
		51-80%	
	<b>Elderly</b>	0-30%	
		31-50%	
		51-80%	
	<b>All Other</b>	0-30%	H
		31-50%	H
		51-80%	H
<b>Owner</b>	0-30%		
	31-50%		
	51-80%		
<b>PART 2 PRIORITY SPECIAL NEEDS</b>		<b>Priority Level</b>	
		<b>Indicate High, Medium, Low, checkmark, Yes, No</b>	
<b>Elderly</b>			
<b>Frail Elderly</b>			
<b>Severe Mental Illness</b>			
<b>Developmentally Disabled</b>			
<b>Physically Disabled</b>			
<b>Persons w/ Alcohol/Other Drug Addictions</b>			
<b>Persons w/HIV/AIDS</b>		H	
<b>Victims of Domestic Violence</b>			
<b>Other</b>			

**Table 2A (Optional)**  
**State Priority Housing Activities/Investment Plan Table**

<b>PART 3 PRIORITY HOUSING ACTIVITIES</b>	<b>Priority Level</b> Indicate High, Medium, Low, checkmark, Yes, No
<b>CDBG</b>	
Acquisition of existing rental units	
Production of new rental units	
Rehabilitation of existing rental units	
Rental assistance	
Acquisition of existing owner units	
Production of new owner units	
Rehabilitation of existing owner units	
Homeownership assistance	
<b>HOME</b>	
Acquisition of existing rental units	
Production of new rental units	
Rehabilitation of existing rental units	
Rental assistance	
Acquisition of existing owner units	
Production of new owner units	
Rehabilitation of existing owner units	
Homeownership assistance	
<b>HOPWA</b>	
Rental assistance	H
Short term rent/mortgage utility payments	H
Facility based housing development	
Facility based housing operations	
Supportive services	H
<b>Other</b>	

# EMERGENCY SOLUTIONS GRANTS (ESG) PROGRAM

## 2013 Action Plan Emergency Solutions Grant Program

- Section 1. Executive Summary
- Objectives and Outcomes
  - Past Performance
  - Citizen Participation and Consultation Process
  - Comments Received
  - Response to Comments Received
- Section 2. Resources and Objective: Homeless
- Federal
  - Other Resources
  - Matching Requirements
  - Annual Objectives
- Attachments: Table 3A, Table 3C
- Section 3. Activities to be Undertaken
- Allocation Priorities
- Section 4. Outcome Measures
- Section 5. Geographic Distribution
- Section 6. Homeless and Other Special Needs Activities
- One Year Goals and Actions to Reduce Homelessness
  - Action Steps to End Chronic Homelessness
  - Activities to address needs of persons who are not homeless but have other special needs
- Attachment: Table AP-55, Affordable Housing
- Section 7. Emergency Solutions Grant Specific Requirements
- Written standards
  - Continuum of Care, coordinated assessment system
  - Process for making sub-awards
  - Homeless participation requirement
  - Performance standards for evaluating grant activities
  - Consultation with continuums of care- Attachment: Table AP-10
  - Monitoring

## **Section 1 Executive Summary**

### **Objectives and Outcomes**

The Department of Children and Families has developed the 2013 Action Plan to guide the use of the \$3,920,895 in the Emergency Solutions Grant program. The intent is to fund local government and private nonprofit organizations to carry out eligible grant activities to reduce homelessness in our state.

Based on the Department's allocation methodology set forth in this Action Plan, local agencies will be able to provide street outreach to the unsheltered homeless persons, and refer them to housing that best fits their situation, based upon a coordinated assessment. Further, the funding will support the operation of emergency shelters to temporarily house the homeless. Finally, rental assistance and housing stabilization services will help the homeless transition back into rental housing, as well as help households facing eviction to be able to stay in their housing.

#### Proposed 2013 Objectives

1. Re-house 758 homeless households with rental assistance and stabilization services.
2. Keep 742 extremely low-income households safely housed with the provision of rent assistance to overcome evictions or other situations which place them at risk of becoming homeless.
3. Support the operation of emergency shelters to house 4,225 persons who are homeless, and provide essential services to those sheltered.
4. Carry out street outreach to the unsheltered homeless on the streets, to connect them with local housing and services, allowing 46 persons to be safely housed.

### **Evaluation of Past Performance**

The Department has awarded the 2011 Emergency Shelter Grant funding to support two primary activities of providing emergency shelter to the homeless and to assist households avoid eviction and retain permanent housing. A total of 25 emergency shelter providers were funded, supporting a total of 1,038 beds. These shelters served 5,639 persons in 22 counties in the state.

Under the prevention and rapid re-housing component of the program, the Department funded 24 agencies to serve 29 counties, using both the stage 1 and stage 2 grant awards for 2011. A total of 2,395 households will be served by June 30, 2013 under the program grants from the Department.

## **Citizen Participation**

In accordance with the state's citizen participation plan, the Department encourages all interested citizens, units of local government, and providers of services to the homeless to engage in the development of the action plan for this program. Opportunities to participate with the Department include the following:

- Publishing for comment the amount of grant assistance available, the range of activities and services that can be undertaken, and the expected outcomes and benefits expected under the grant program.
- Conducting at least one public hearing prior to publishing the action plan to solicit public comment, ideas and suggestions on how to use the grant resources to meet local needs.
- Publishing the proposed action plan on the internet site of Department, as well as on the Department of Economic Opportunity site.
- Providing 30 days for any interested person or entity to comment on the action plan.
- Considering all comments received, and revising the proposed plan as appropriate to be responsive to comments received.

In addition to the citizen participation plan opportunities, the Department specifically has engaged the 28 local continuum of care planning entities, to solicit their assessment of priority needs, and to ensure coordination of state funded recipient services with the overall homeless service planning. For the 2013 Action Plan the consultation process includes:

- Surveys to the continuum of care planning areas to identify needs, propose performance measures, ensure data entry in the homeless management information system, and guide the allocation of funds among the eligible component activities.
- Monthly conference calls with the continuum of care lead agencies to discuss policy issues, and changes to the plan.
- Provide the draft action plan for comment prior to the formal publishing of the plan for comments.
- Submitted the reduced grant award, for input on need to change allocations by component, and maximum grant levels.

Further, the Department provided the proposed action plan to the statewide Council on Homelessness for the state agency members to address how the Emergency Solutions Grant should be coordinated with mainstream programs and benefits available from these state agencies. The Council includes the following agencies, and their services.

Children and Families	Provide social services including child welfare, foster care, mental health, substance abuse and domestic violence.
Florida Housing Finance Corporation	Address the affordable housing needed, including the HOME program.
Economic Opportunity	Promotes economic opportunities by implementing successful workforce, community and economic development strategies, including the use of the Community Development Block Grant.
Health	Ensure the public health needs are met, especially those with HIV/AIDS through the HOPWA program.
Agency for Health Care Administration	Regulates the hospitals and subsidized health care for the poor, particularly through the Medicaid program.
Veterans Affairs	Assist our military veterans in receiving the benefits for health care and housing.
Corrections	Prepare offenders for successful discharge and re-entry to the community.
Education	Ensure all children receive proper schooling, especially homeless children in the public schools in Florida.
Workforce Florida	Provide employment training and job placements.

The Council on Homelessness advises the Office on Homelessness on policies for the coordination and delivery of state services and benefits to reduce homelessness. The

consultation with other state agencies which manage the mainstream housing, health, social services, education and employment resources addressed the requirements of Section 576.400[c].

### **Summary of Comments Received**

No comments were received on the original 2013 Action Plan.

### **Response to Comments Received**

[Reserved]

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## Section 2 Resources and Objectives

### **Resources**

Statewide in Florida, the Emergency Solutions Grant (ESG) program funding for the 2013 allocation is \$8,999,121 based on formula awards amounts released by HUD. Direct formula grants will be provided to 23 units of local government, allocating \$5,078,226 to Florida's largest cities and urban counties. The state of Florida formula allocation of \$3,920,895 is based on the population and housing conditions that exist in the balance of cities and counties that do not receive direct formula grants. ESG funds allocated to the state are administered through the state's Department of Children and Families, and are awarded by the Department based on the best interest of the state as determined by the Secretary.

The allocations of resources in this portion of the plan have been adjusted to reflect the five percent [5%] reduction required in the 2013 budget sequester, plus other adjustments made by HUD for 2013 formula allocations.

#### Florida Cities and Counties Receiving Formula ESG Awards in 2013

<u>Community</u>	<u>Allocation 2013</u>
Ft. Lauderdale	\$112,945
Hialeah	\$146,397
Miami	\$362,264
Orlando	\$134,014
St. Petersburg	\$114,190
Tallahassee	\$123,707
Tampa	\$197,976
Broward County	\$167,735
Collier County	\$132,640
Jacksonville-Duval Co.	\$392,963
Escambia County	\$122,946
Hillsborough County	\$377,644
Lee County	\$151,318
Manatee County	\$112,554
Marion County	\$109,488
Miami Dade County	\$774,117
Orange County	\$347,731
Palm Beach County	\$393,491
Pasco County	\$176,925
Pinellas County	\$174,337
Polk County	\$210,119
Seminole County	\$123,876
Volusia County	\$118,849
	<b>Total</b>
	<b><u>\$5,078,226</u></b>
State of Florida Allocation	\$3,920,895

## Breakdown of State's Allocation by Eligible Components

The Department, in consultation with the lead agencies of the continuum of care planning areas, plans to allocate the grant dollars according to the following component allotments.

Emergency Shelters	\$1,580,120
Street Outreach	\$183,106
Homeless Prevention and Rapid Re-Housing	\$1,883,206
Administration	\$274,463
TOTAL	\$3,920,895

The proposed allocation for 2013 reflects the priorities reflected by the continuums of care in their consultation survey, with high support for prevention, re-housing and emergency shelters. Street outreach was ranked lowest among the four components. Further, there was very low demand in the 2012 application process for street outreach programs. Accordingly, the amount of funding allocated to outreach services has been reduced for 2013, with slightly more funding allotted to emergency shelters and the prevention and re-housing components.

Along with the Emergency Solutions Grants program, Florida's 28 continuum of care areas apply for the programs under the Continuum of Care NOFA from the U.S. Department of Housing and Urban Development. These programs include the Supportive Housing Program that creates transitional and permanent supportive housing, where services are linked to housing dedicated to the homeless. The Shelter Plus Care program makes rental assistance available to house the homeless, when the rental assistance is matched with linked supportive services funded by other sources. These grants are made available in competitive grant process on a national level. In 2011, grantees across Florida were awarded \$78,767,112 through the Continuum of Care competition, to renew existing housing projects and fund new projects. \$71,982,208 in funding was awarded to renew 343 housing and HMIS projects across the state.

New permanent housing projects were also awarded in the 2011 Continuum of Care NOFA. With \$6,784,904 awarded to 30 new housing projects, the inventory of housing units to end the episode of homelessness has grown in 17 of the local homeless planning areas.

The breakdown of the 2011 grant awards by the continuum of care planning areas is outlined below.

2011 Continuum of Care Awards

CoC #	CoC Area	Renewals		New Projects	
		# Projects	Total Award	#	Total Award
500	Sarasota/Manatee	7	\$689,844	—	—
501	Hillsborough	20	\$4,739,134	1	\$513,702
502	Pinellas	21	\$3,798,243	2	\$401,347
503	City of Lakeland	10	\$1,147,842	—	—
504	Volusia/ Flagler	16	\$1,281,650	1	\$100,000
505	Okaloosa /Walton	3	\$599,293	1	\$61,853
506	Leon/Big Bend	5	\$877,467	2	\$321,805
507	Orange, Seminole, Osceola	37	\$5,151,630	2	\$547,927
508	Alachua, Putnam	8	\$656,188	4	\$244,728
509	St. Lucie, Indian River	12	\$1,141,944	2	\$347,680
510	Duval, Clay, Nassau	19	\$4,238,930	1	\$354,600
511	Escambia/Santa Rosa	6	\$948,202	2	\$177,974
512	St. Johns	2	\$152,400	1	\$55,864
513	Brevard	7	\$860,271	—	—
514	Marion	4	\$250,430	—	—
516	Polk	2	\$195,138	—	—
517	Hendry, Highlands	2	\$201,534	—	—
518	Suwannee, Columbia	2	\$157,935	2	\$50,933
519	Pasco	2	\$203,733	5	\$810,543
520	Citrus, Hernando, Lake	3	\$270,863	—	—
600	Miami Dade	96	\$27,668,372	1	\$1,770,156
601	Broward	18	\$9,555,151	—	—
602	Charlotte	4	\$220,643	—	—
603	Lee	11	\$2,141,034	1	\$89,733
604	Monroe	4	\$474,563	1	\$28,071
605	Palm Beach	18	\$4,521,231	1	\$410,548
606	Collier	3	\$330,761	—	—
TOTALS		343	\$71,982,208	30	\$6,784,904

For the 2012 Continuum of Care NOFA, the local continuum of care planning areas submitted applications to continue funding for the homeless housing projects up for renewal, along with grants to cover the homeless information systems, and new funding to support the continuum of care planning. Based on the registration of the state's 28 planning areas, renewal grant funding was sought for \$83.78 million, and another \$950,000 in planning support grants. According to the March 13 HUD award notice, the Florida continuums received Tier 1 grants in the sum of \$73,897,748, and Tier 2 renewal awards in the amount of \$4,656,308, for total renewal grants in the sum of \$78,554,056.

In addition to these grant programs, the Florida continuum of care planning areas have also received federal awards from these programs:

- Supportive Services for Veteran Families – serving very low-income veteran families with services to enhance their housing stability.
- HUD – VASH – supportive housing for homeless veterans with rent vouchers
- Homeless Veterans Reintegration
- Homeless Veterans Grant and Per Diem housing
- Health Care for the Homeless clinics/centers
- Projects for Assistance in Transition from Homelessness for persons with mental health issues
- Emergency Food and Shelter program
- Education for Homeless Children and Youth for local school districts to aid homeless students in school
- Runaway and Homeless Youth Centers

### Other Resources

The Florida Legislature approved funding for the following homeless initiatives for FY2013-14 , within the Department of Children and Families budget.

- Homeless Prevention Grant \$900,000  
Payment of past due rent, mortgage or utility bills for families with children facing eviction.
- Local homeless coalition grants \$2,000,000  
Enables the coalitions to collect the data, plan for homeless services, write grant applications, and coordinate services within the 28 continuum of care areas.
- Council on Homelessness and Office on Homelessness \$560,406  
Enable the state to develop policies and

proposals to reduce homelessness, and to coordinate services to the homeless across all state agencies and resources.

- Homeless Housing Assistance Grant \$1,000,000  
Support two community projects for the homeless in Brevard and Manatee Counties .

Based on data reported by the 28 local continuum of care lead agencies, a total of \$114 million in federal McKinney Vento grants, and \$132 million in private donations were received in 2010-2011 to address the needs of the homeless in Florida.

### **Match Requirements**

In accordance with the federal rules for the Emergency Solutions Grant, the state requires that its sub-recipients make the matching contributions to fulfill the requirement for providing matching funds in an amount that equals the amount of the state grant award to each sub-recipient. The state shall apply the federal provision that the first \$100,000 of the fiscal year grant is not required to be matched, applying this provision to state administrative costs or to those sub-recipients that are least capable of providing the matching contributions.

Eligible matching contributions shall be governed by the provisions in section 576.201 of the Interim Rule for the Emergency Solutions Grant. Such eligible matching contribution may be either cash contribution, or non-cash contribution.

### **Annual Objectives**

Based on the following allocations among the eligible ESG components, the Department estimated the level of assistance for the annual objectives reflected in Table 3A and 3C attached.

<u>ESG Component</u>	<u>2013 Allocation</u>
Emergency Shelters	\$1,580,120
Street Outreach	\$183,106
Homeless Prevention and Rapid Re-Housing	\$1,883,206

The expected number of households to be assisted with the rapid re-housing funding is based on the average level of assistance per households assisted by the local recipients under the Department's Homeless Prevention and Rapid Re-Housing Program.

The projected number of households to be served with homeless prevention aid is based on the average assistance per household helped under the state’s Homeless Prevention and Rapid Re-Housing Program.

For the number of persons to be sheltered, the Department projected the benefit based on the 2011 awards to local shelter providers under the Emergency Shelter Grant, and the average cost per person sheltered.

Finally, the projected number of unsheltered homeless persons to be placed into housing was developed based on the experience and outcome measures of a street outreach program operating by the Homeless Service Network of Central Florida, in 2012.

**Attachments to Section 2**

Table 3A. Summary of Specific Annual Objective  
 Table 3C. Annual Action Plan, Planned Project Results

**Optional Table 3A Summary of Specific Annual Objectives**

Specific Obj.#	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
<b>DH-1 Decent Housing with Purpose of New or Improved Availability/Accessibility</b>							
<b>DH-1.1</b>	Re-house the homeless with rental assistance and stabilization services.	ESG 2013	Number of households assisted to regain permanent housing.	2011			
				2012			
				2013	758		
				2014			
				2015			
<b>MULTI-YEAR GOAL</b>							
<b>DH-2 Decent Housing with Purpose of New or Improved Affordability</b>							
<b>DH-2.1</b>	Provide rent assistance to prevent eviction.	ESG 2013	Number of households assisted that remain housed and avoid becoming homeless.	2011			
				2012			
				2013	742		
				2014			
				2015			
<b>MULTI-YEAR GOAL</b>							

**Optional Table 3A**

**Summary of Specific Annual Objectives**

<b>Specific Obj. #</b>	<b>Outcome/Objective Specific Objectives</b>	<b>Sources of Funds</b>	<b>Performance Indicators</b>	<b>Program Year</b>	<b>Expected Number</b>	<b>Actual Number</b>	<b>Percent Completed</b>
<b>SL-1 Suitable Living Environment with Purpose of New or Improved Availability/Accessibility</b>							
<b>SL-1.1</b>	Support the operation of emergency homeless shelters.	ESG 2013	Number of homeless persons sheltered (4,225).	2010			
				2011			
	Provide outreach services to the unsheltered homeless persons.		Number of persons who are placed into housing (46) from the street.	2012			
				2013	4,271		
	2014						
	<b>MULTI-YEAR GOAL</b>						
<b>SL-2 Suitable Living Environment with Purpose of New or Improved Affordability</b>							
<b>SL-2.1</b>				2010			
				2011			
				2012			
				2013			
	2014						
	<b>MULTI-YEAR GOAL</b>						
<b>SL-3 Suitable Living Environment with Purpose of New or Improved Sustainability</b>							
<b>SL-3.1</b>				2010			
				2011			
				2012			
				2013			
	2014						
	<b>MULTI-YEAR GOAL</b>						

Optional Table 3A Summary of Specific Annual Objectives

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
<b>EO-1 Economic Opportunity with Purpose of New or Improved Availability/Accessibility</b>							
EO-1.1				2010			
				2011			
				2012			
				2013			
				2014			
<b>MULTI-YEAR GOAL</b>							
<b>EO-2 Economic Opportunity with Purpose of New or Improved Affordability</b>							
EO-2.1				2010			
				2011			
				2012			
				2013			
				2014			
<b>MULTI-YEAR GOAL</b>							
<b>EO-3 Economic Opportunity with Purpose of New or Improved Sustainability</b>							
EO-3.1				2010			
				2011			
				2012			
				2013			
				2014			
<b>MULTI-YEAR GOAL</b>							

**Optional Table 3A Summary of Specific Annual Objectives**

Specific Obj. #	Outcome/Objective Specific Objectives	Sources of Funds	Performance Indicators	Program Year	Expected Number	Actual Number	Percent Completed
<b>CR-1 Community Revitalization</b>							
CR-1.1				2010			
				2011			
				2012			
				2013			
				2014			
<b>MULTI-YEAR GOAL</b>							
<b>O-1 Other</b>							
O-1.1				2010			
				2011			
				2012			
				2013			
				2014			
<b>MULTI-YEAR GOAL</b>							
				2010			
				2011			
				2012			
				2013			
				2014			
<b>MULTI-YEAR GOAL</b>							



	<b>Availability/ Accessibility</b>	<b>Affordability</b>	<b>Sustainability</b>
<b>Decent Housing</b>	DH-1	DH-2	DH-3
<b>Suitable Living Environment</b>	SL-1	SL-2	SL-3
<b>Economic Opportunity</b>	EO-1	EO-2	EO-3

### **Section 3 Activities to be Undertaken**

The following eligible activities and accomplishments are anticipated under grants awarded to local recipients under the Department’s 2013 Emergency Solutions Grant. The state’s method for distributing funds to eligible entities is described in Section 7.

#### **Emergency Shelters**

The Department will fund these eligible activities undertaken by eligible local government or nonprofit agencies for homeless emergency shelters, which meet the definition of an emergency shelter in section 576.2, of the Interim Rule.

“Emergency shelter means any facility, the primary purpose of which is to provide temporary shelter for the homeless in general, or for specific populations of the homeless, and which does not require occupants to sign leases or occupancy agreements.”

Eligible Activities include the following:

- A. Shelter Operations
- B. Essential Services to include:
  - Case Management – This is a mandatory service for all recipients
  - Child care
  - Education services
  - Employment assistance and job training
  - Outpatient health services
  - Legal services
  - Life skills training
  - Mental health services – Outpatient basis only
  - Substance abuse treatment services - Outpatient basis only
  - Transportation - Except purchase or lease of vehicle is not authorized
  - Services for special populations

C. HMIS:

- Costs for contributing data to local CoC HMIS database, as well as the participation fees due to the CoC HMIS lead agency.

D. Renovation

- Renovation or major rehabilitation of an emergency shelter, or the conversion of a building into an emergency shelter. Emergency shelter must be owned by a government entity, or the private nonprofit organization where such renovation is proposed.

### Street Outreach

Under the 2013 grant, the Department shall fund the following eligible activities for local street outreach efforts. If funded, these street outreach programs shall be made an integral part of the applicable continuum of care coordinated assessment system, required by HUD.

Eligible activities to serve unsheltered persons:

- Engagement
- Case management- mandatory activity for funded recipients
- Emergency health services – Outpatient only
- Emergency mental health services – Outpatient only
- Transportation – Except purchase or lease of vehicle is not allowed by the Department
- Services for special populations, including homeless youth, persons with HIV/AIDS, or victim services
- HMIS – Costs for contributing data to local CoC HMIS database, as well as the participation fees due to the CoC HMIS lead agency.

### Homeless Prevention and Rapid Re-Housing

Local recipients awarded grants under these combined components shall be allowed to undertake the following eligible activities:

- Short- term tenant based rental assistance for up to 3 months
- Medium term tenant based rental assistance, not to exceed 24 months

NOTE: Project based rental assistance, either short-term or medium-term, shall not be allowed under the Department's grant award for 2013.

- Housing relocation and stabilization services, to include:
  - (1) Rental application fees
  - (2) Security deposits
  - (3) Last month's rent
  - (4) Utility deposits
  - (5) Utility payments
  - (6) Moving costs
  - (7) Housing search and placement
  - (8) Housing stability case management – MANDATORY activity for all Department funded recipients
  - (9) Mediation
  - (10) Legal services
  - (11) Credit repair counseling
  
- HMIS – Costs for contributing data to local CoC HMIS database, as well as the participation fees due to the CoC HMIS lead agency.

Applicants seeking a grant for the combined Prevention and Rapid Re-Housing components shall be required to target at least 60% of the grant awarded to fund the Rapid Re-Housing of homeless persons

#### Grant Administration

The Department will retain \$110,374 of the 2013 grant award to cover its allowable costs to administer the grant. In addition, the Department shall allot to each recipient an administrative cost allocation equal to up to 4.5% of their grant award. A total of \$164,089 is allocated to cover the administrative costs for both units of local government, as well as to private nonprofit organizations.

The eligible recipients may use the administrative cost allotment for these costs of overall program management, coordination, monitoring and evaluation of performance.

- Salaries and related costs for staff carrying out administrative activities allowed under the Interim Rule, in section 576.108
  
- Travel costs for monitoring

- Third-party contracts or agreements for administrative services such as legal, accounting and audits
- Other costs of goods and services required for administration of the grant
- Training on grant requirements
- Environmental review responsibilities

**Allocation Priorities**

In proposing the allocation of the available funds for the 2013 Emergency Solutions Grant, the Department has taken into account the priority needs from the continuum of care consultation, the federal program focus upon rapid re-housing as a best practice policy, and the demand for the funding from the 2012 cycle of grant awards. Accordingly, Department’s allocation allots the funding as follows:

\$1,883,206	Prevention and Rapid Re-Housing
	\$1,129,924 Re-Housing (60%)
	\$753,282 Prevention (40%)
\$1,580,120	Emergency Shelters
\$183,106	Street Outreach
\$274,463	Administration
	\$110,374 State
	\$164,089 Local Recipients

The allocation aligns with the highest need and priority assigned to rapid re-housing and prevention. Street outreach funding reflects the lowest need ranking, as well as the 2012 demand for funding.

**Section 4 Outcome Measures**

Following the HUD Notice of Outcome Performance Measurement System for the community planning and development formula grant programs, the Emergency Solutions Grant program shall track outcomes against the following objectives, and measures.

**Decent Housing Objective**

1. Outcome: Availability or accessibility of decent housing
  - Indicator: Total number of households assisted with short-term rental assistance, including the number of homeless households.

- 2. Outcome: Affordability of Decent Housing
- Indicator: Number of households receiving financial assistance to prevent Homelessness

**Suitable Living Environment**

- 1. Outcome: Availability or accessibility of a suitable living environment
- Indicator: Number of homeless persons given shelter or housing

The eligible components of the Emergency Solutions Grant shall track outcomes by the following

HUD Objectives/Outcomes:

Rapid Re-Housing Component	Decent Housing/Availability or Accessibility
Homeless Prevention Component	Decent Housing/Affordability
Emergency Shelter Component	Suitable Living Environment/Availability
Street Outreach Component	Suitable Living Environment/Accessibility

The projected outcomes for the 2013 grant funded recipients are reflected in Tables 3A and 3C attached to Section 2 above.

**Section 5 Geographic Distribution**

The Emergency Solutions Grant awarded to the Department is based on a federal formula that includes the population and socio-economic characteristics for those persons living in the counties and cities in Florida that do not receive the direct formula grant from HUD. These direct formula local governments are listed in Section 2, Resources.

The Department will accept applications from eligible local governments, and private nonprofit organizations on a statewide basis. However, first priority for grant awards shall be given to the eligible applicants, which serve the non- formula local government areas, upon which the Department’s formula grant award is based.

Applications from these non-formula communities shall be evaluated and approved for grant awards first by the Department. If funds remain unobligated following these non-formula service area awards, only then will applications from formula local government service areas be scored and considered for grant awards by the Department.

## **Section 6 Homeless and Other Special Needs Activities**

### **One Year Goals and Action Steps for Reducing Homelessness**

- Reaching out to homeless persons and assessing their needs

The Department will make available 4.67 percent of the grant to fund local street outreach programs to contact the unsheltered homeless, develop individual plan assessments, and refer and place the unsheltered homeless into housing. Such placements may be in emergency shelters, transitional housing, and permanent housing including re-housing programs.

Such outreach programs funded shall be an integral part of the local continuum of care (CoC) coordinated assessment system. As the state's 28 planning areas implement their assessment systems in 2013, preference in the Department's awards will go to outreach programs that have executed written agreements with their CoC coordinated assessment system, and have written agreements with community housing providers to place homeless persons referred by the outreach program into safe housing.

In the 2013 awards, the Department expects to place 46 unsheltered homeless persons into housing.

- Addressing the emergency shelter and transitional housing needs of the homeless persons

By allotting forty percent of the annual grant award to the emergency shelter component, the state expects to fund local providers of emergency housing to shelter 4,225 persons. Based on past funding, the Department expects to fund the operation of over two dozen facilities. Some of these facilities are expected to be transitional housing units, which were awarded funds in the 2010 grant, and in subsequent years.

Other transitional housing projects will be up for renewal grants in the continuum of care NOFA's for 2012 and 2013. Such housing units are critical to the homeless service plans, as transitional housing beds (13,958) make up over one-third of the available homeless housing units in Florida.

To meet the safe shelter needs for victims of domestic violence, Florida provides over \$31 million in state and federal grants to support 42 domestic violence centers, providing over 39,000 emergency shelter nights of care. State revenue sources provide over \$12 million of the funding for these emergency shelters.

- Helping the homeless transition to permanent housing

The ESG funding will provide rent assistance, cash management, and supportive services to enable those who are now homeless to transition into permanent housing. At least 29 percent of the total funding shall be used for this re-housing component in 2013. Based on

this allocation plan, the local recipients are expected to re-house 758 households of homeless persons.

Beyond this re-housing component, the Department will give priority in grant awards to those emergency shelter providers who have demonstrated high performance in reducing the average length of stay in their shelter, and transitioning those exiting the shelter to move back into permanent housing. These performance measures shall be evaluated in concert with the provider's continuum of care planning area, and will be a factor in making future grant awards.

- Helping low income households avoid becoming homeless

To keep households in financial crisis from becoming homeless, the Department will make up 19 percent of the 2013 ESG dollars available for short-term rent assistance, case management and related services. These households shall meet the extremely low-income eligibility criteria, and meet specific risk factors to eligible for assistance.

Based on this allocation, the funded local prevention programs are expected to serve 742 households.

### **Affordable Housing Goals**

The Emergency Solutions Grant will assist 1,500 households with rental assistance for 2013. Further, the grant program will serve a total of 5,029 homeless households with shelter, referrals to housing and rapid re-housing. In addition, 742 non-homeless households will be served with prevention aid and services. These assistance levels are reflected in Table AP-55, attached to this section.

The Department also provides emergency financial assistance to families with children to cover a portion of overdue rent to avoid evictions. This program uses Temporary Assistance for Needy Families funding to enable over 2,000 families a year to avoid eviction. Based on follow-up surveys, 87 percent of the families assisted in 2012 were able to avoid eviction six months after receiving the state aid.

The state also has adopted legislation to require strong discharge planning for public funded institutions and systems of care. These state guides are intended to ensure that persons leaving state care or custody are not discharged into homelessness. These discharge planning requirements are in place for mental health facilities or institutions, state correctional facilities, and the child welfare or foster care systems.

For youth exiting foster care who do not have permanent family placements, the state is proposing changes to the Independent Living program to channel more assistance to housing and other transitional services to reduce the number of these young persons who end up homeless. A 2012 survey of the youth ages 18 to 22, reported that 28 percent had been homeless after leaving the foster care system. Other initiatives are underway to strengthen

their educational experience, enhance basic life skills, and prepare these youth for independent living.

In 2012, the Florida Housing Finance Corporation applied for the Section 811 Project Based Rental Assistance Grant to address the needs of persons with severe mental illness to access housing upon discharge from residential treatment. This joint effort with the Department of Children and Families, mental health office, and the Agency for Health Care Administration, for Medicaid services, was not selected in 2012. The state intends to re-apply for such grant funding in the future to address this critical need.

The Department of Children and Families continues to use its Projects for Assistance in Transition from Homelessness (PATH) grant funding to address the housing costs for persons in mental health treatment. The funding is linked into the Assertive Community Treatment model to enable the individual to be served in a community housing setting.

### **Action Steps to End Chronic Homelessness**

The Emergency Solutions Grant will provide resources to the communities around the state to enable the chronic homeless population to transition off the street, and out of shelters into permanent housing. Specifically, local street outreach efforts will help the unsheltered homeless individual secure placement into housing following their assessment by the outreach team. As these outreach efforts are linked to the community's coordinated assessment systems, more placement commitments in permanent housing are expected. This will include the grant funded rapid re-housing programs funded by the Department, as well as in those funded by the formula ESG recipients.

State funding to support the operation of the lead agencies, or collaborative applicant, of the local continuum of care planning areas, ensures local planning, data collection, and grant writing capacity to enable our communities to continue to access federal permanent housing grants to re-house our chronic, long-term homeless population. Since 2001, Florida's supply of permanent housing beds has risen from 3,683 beds, to the 2012 supply of 14,558 beds.

### **Plans to Address Housing and Service Needs: Persons, not Homeless, with Special Needs**

The Florida Housing Finance Corporation has its LINK initiative to target households with special needs, who have extremely low incomes, to be able to access permanent rental housing. Florida Housing has funded apartment projects around the state, where the housing sponsor has agreed to reserve a portion of the units to serve special need populations. This population group covers the disabled, including persons with mental illness; the elderly; youth exiting foster care; and the homeless. These apartments are supported with the low-income housing tax credit, HOME, and state housing trust funds.

In planning for the use of the 2013 Low-Income Housing Tax Credit allocation authority, Florida Housing Finance Corporation is developing requests for proposals, in a competitive process, to fund high priority affordable housing projects, specifically those supporting special needs

populations. Preference will be given for a development for veterans with special needs, and for the rehabilitation or revitalization of public housing authority properties in medium or small counties.

Attachment: Table AP-55, Affordable Housing

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**AP-55 Affordable Housing**

One Year Goals for the Number of Households to be Supported	
Homeless	5,029
Non-Homeless	742
Special Needs	0
Total	5,771

Assistance goals for the Emergency Solutions Grant eligible activities

A. Homeless Households

Those households assisted with rapid re-housing rent assistance, as well as those who are sheltered.

B. Non-Homeless

Those at-risk of becoming homeless households receiving rent assistance to remain in stable, permanent housing.

One Year Goals for the Number of Households Supported Through:	
Rental Assistance	1,500
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	1,500

Assistance goal for the Emergency Solutions Grant program’s rapid re-housing and homeless prevention aid.

## **Section 7 Emergency Solutions Grant Specific Requirements**

### **Written Standards**

In accordance with the option provided in the federal rule to state recipients, the Department shall require the local grantees to establish and implement the written standards required under the interim Rule, 576.400(e)(2). The local grantees shall establish their written standards, and submit them to the Department for review and approval. The approval by the Department is required prior to the execution of the grant agreement with the local grantee.

The Department's transfer of the responsibility to establish the written standards to the local grantee is consistent with the state's homeless enabling statutes. In accordance with Section 420.624, Florida Statutes, the homeless services are intended to be tailored to the unique needs of each community. The homeless planning shall be done at the community level, as is the delivery of services and housing to those in need.

For 2013, the local recipients of the Emergency Solutions Grant shall develop the following written standards. All such standards shall be consistent with the provisions specified by HUD in the December 5, 2011 Interim Rule.

### **Required Written Standards**

- a. Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under the Emergency Solutions Grant

Minimum Standards: (1) Consistency with the definition of homeless and at-risk homeless set forth in 24 CFR 576.2; (2) The record keeping requirements in 24 CFR 576.500 (b – e).

Department's Limitation: For the 2013 awards, local recipients shall not use the risk factor for homeless allowed under paragraph 576.2 related to "otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness."

- b. Policies and procedures for coordination among homeless service providers, as well as mainstream service and housing providers.

Minimum Standards: Standard shall encompass all providers and programs listed in Sections 5765.400(b) and (c) of the HUD Interim Rule.

- c. Policies and procedures for determining and prioritizing which eligible families and individuals will receive homeless prevention assistance or rapid re-housing aid.

Department's Priority: Families with children, as well as youth exiting from state care, shall be given preference under the Department's awards for both prevention and rapid re-housing, to the maximum extent possible

- d. Standards for determining the share of rent and utilities cost that each eligible participant must pay, if any, while receiving either homeless prevention or rapid re-housing aid.
- e. Standards for determining how long a particular participant will be provided with rental assistance, and whether and how the amount of assistance may be adjusted over time.

Minimum Standard: In accordance with the Interim Rule, no participant may receive more than 24 months of assistance in any 3-year period.

Department Standard: Local grantees shall not obligate any assistance beyond the term of the Department's grant agreement. Generally, this will limit assistance to less than 24 months under our grant agreement.

- f. Standards for determining the type, amount and duration of housing stabilization and/or rapid re-housing assistance and/or relocation services to be provided to an eligible participant, including limits, if any, on the amount of homeless prevention or rapid re-housing assistance that a participant may receive. The standards shall set forth the maximum amount of assistance, the maximum number of months of assistance possible, and maximum number of times a participant may receive assistance.

Minimum Standard: The HUD Interim Rule limits cannot be violated by the local standard.

- g. Standards for targeting and providing essential services to the unsheltered homeless persons related to street outreach activities.
- h. Policies and procedures for admission, diversion, referral and discharge by emergency shelters assisted under ESG. This must include standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, such as victims of domestic violence. Such standards shall also address the individuals and families who have the highest barriers to housing and are likely to be homeless the longest.
- i. Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter.

All recipients must develop the written standards required in (a) and (b) above. Street outreach recipients shall also develop and submit for approval the written standards in (g) above. Emergency shelter recipients must develop the standards described in (h) and (i) above. Homeless prevention and rapid re-housing recipients must develop the standards required in (c), (d), (e) and (f) above.

## **Monitoring**

The Department of Children and Families will monitor the local grant recipients in several tiers of activity. The Office on Homelessness program staff will undertake desk audits of the recipients to include a review of program participant case files, track and assess prompt expenditure of grants under IDIS, and monitor progress in attaining proposed program outcome goals using the Department's quarterly reporting requirements. The review of program participant case files will involve requesting individual case file samples from the local recipient, to allow the Office to monitor the file documentation to ensure that the eligibility documentation meets the requirements of the Interim Rule, and to ensure that the file complies with the recipient's approved written standards governing their grant activities.

In addition to this desk monitoring function, the Office program staff will conduct on-site monitoring visits of those grant recipients identified as high risk providers. High risk grantees include first time grant recipients, as well as those grantees that have had prior findings or concerns for non-compliance with the Department's standard contract provisions, or the regulations in the Interim Rule.

The Department's contract managers also perform essential monitoring functions. As the responsible person for managing the grantee under the standard contract, the contract manager must assess all draw requests from the grantee to ensure eligibility of costs, and to review outcomes achieved to date on the contract to ensure progress is being made to accomplish the contract goals. This desk monitoring by the contract manager also tracks the recipients' expenditure of the required match on the grant eligible costs. Further, Department policies require the contract manager to undertake one on-site monitoring of each grantee each year they are under contract. This on-site monitoring will focus on ensuring the grant recordkeeping is in line with the grant requirements, physically inspecting the workplace where the services are delivered, and talking to program participants who may be on-site during the visit.

A final level of monitoring that the Department undertakes is done by the Contract Oversight Unit. This unit undertakes an on-site monitoring of a sample of the grantees under contract, and its focus is on the recipients' compliance with the terms and conditions of the standard contract. This includes a focus on the financial management systems, compliance with federal laws on employment, accessibility, hearing impairments, and other such cross-cutting federal requirements.

The Department's Inspector General may also undertake detailed audits of grant recipients in the event of a single audit report finding, or receipt of a complaint against the grantee filed with the Office of the Inspector General or the Executive Office of the Governor.

### **Description of the Continuum of Care**

The state of Florida does not have a balance of state continuum of care planning area. Rather, there are 28 local continuum of care planning areas, covering 64 of the state's 67 counties.

To implement the federal requirement for continuums of care (CoC) to establish and implement a centralized or coordinated assessment system, The Department surveyed all 28 CoC areas as a part of its consultation process. Based on the information provided to the Department from 12 of the CoC lead agencies, 5 CoC's report having established their coordinated assessment system. Full implementation of these systems will not be accomplished until 2013 and 2014.

The Department shall require all applicants to obtain and submit in their grant proposal, a specific certification from the designated continuum of care lead agency that the applying agency is using the CoC's assessment system. If the continuum of care has not yet developed such a coordinated assessment system in accordance with HUD requirements, the continuum lead agency shall provide written documentation of this fact. Victim service providers may choose not to use the continuum's coordinated assessment system. If so, the victim service provider shall document this decision in writing.

The state does not have a balance of state continuum of care plan, and therefore the Department has not established a coordinated assessment system, required by 24 CFR 576.400(d).

### **Process for Making Grant Awards to Local Entities**

For 2013, the Department will award grants for the Emergency Solutions Grant under three grant categories.

1. Emergency Shelters
2. Street Outreach
3. Prevention and Rapid Re-Housing

The Department shall make funds available to units of local government in the state, and to private nonprofit organizations, when approved by the units of local government where grant funded activities will be carried out and serve eligible participants.

The Department will detail the grant application requirements in its grant solicitation. The Department will make the following amounts of funding available under the competitive application categories.

Emergency Shelters	\$1,580,120
Street Outreach	\$183,106
Homeless Prevention and Rapid-Re- Housing	\$1,883,206

The Department will establish maximum grant awards for each of the grant categories. The Department reserves the right to make awards at levels less than the maximum level, if deemed in the best interest of the state. Those limits shall cover the base award limit, plus an administrative cost amount of 4.5% of the grant category award. All applicants shall cover the cost of contributing participant data to the continuum of care HMIS database, and may cover these eligible costs under the grant category award limit.

<u>Category</u>	<u>Grant Category Maximum Award</u>	<u>Administration Cost</u>	<u>Maximum TOTAL award</u>
Emergency Shelter	\$73,300	Maximum \$3,298	\$76,598
Street Outreach	\$36,650	\$1,649	\$38,299
Homeless Prevention and Rapid Re- Housing	\$73,300	\$3,298	\$76,598

An eligible applicant shall only apply for a grant award under one (1) of the three (3) grant categories. Exception: An eligible nonprofit organization which provides homeless services in more than one continuum of care planning area, may submit no more than one (1) application to the Department under the solicitations for each continuum of care planning area they serve.

The Department shall give priority to its grant awards to applicants which shall carryout the grant funded activities in the non-formula cities and counties in the state. [See Section 5, Geographic Distribution.]

The Department shall publish the notice of grant solicitations using the State of Florida Vendor Bid System. Such notice shall announce the dates for the submission of grant proposals. The Department will provide a completeness review of all applications to identify missing information that is required. Applicants will be provided an opportunity to provide the missing information prior to the evaluation of the application.

Grant awards will be made by the Department based on the determination of which proposals are in the best interest of the state and the Department. Applications will be evaluated

according to capacity and performance criteria, which shall serve as a recommendation for consideration by the Department's Secretary, or his designee, in making the grant award decision determined to be in the best interest of the state.

### **Capacity and Performance Criteria: Emergency Shelters**

1. Need for Emergency Shelter Beds is in area served by the shelter
2. Evaluation of Shelter Provider's performance by Continuum of Care
  - Bed utilization from 2013 Point in Time Count
  - Average Length of client stay in shelter
3. Continuum of Care area shelter outcomes
  - Percent of shelter leavers transitioning to permanent housing
  - Percent of shelter leavers who have employment income
  - Evaluations of outcomes achieved by the provider under Department's 2013 ESG award, if applicable
4. Certification by Continuum on the provider's:
  - Participation in the continuum of care plan and 2013 Point in Time count
  - Data quality in HMIS meets federal standards
  - Provider's usage of the Coordination Assessment system, if such system is established
  - Provider's commitment to accept referrals and place those persons referred to it by the Coordinated Assessment system
  - Provider's coordination of services with other homeless service and housing providers within the planning area
5. Provider is formal ACCESS Partner with the Department for mainstream benefits of food stamps, cash assistance for families, and Medicaid
6. Homeless or formerly homeless persons participation on:
  - Provider's Board of Directors, or advisory body if Provider is local government agency
  - Provider's paid staff

### **Capacity and Performance Criteria: Street Outreach**

1. Need for Outreach reflected in the number of the unsheltered homeless persons in the CoC area.
2. Applicant's experience providing street outreach, and extent of outreach services
3. Linkage of applicant's outreach to the continuum's Coordinated Assessment system as evidenced by the two party written agreements
4. Capacity to place unsheltered homeless into housing
  - Real time availability of beds/housing for referral/placement
  - Formal agreements for referrals to local rapid re-housing assistance
  - Formal agreements for referrals to mental health treatment
5. Applicant is ACCESS Partner with the Department for mainstream benefits of food stamps, cash assistance for families, and Medicaid
6. Certification by the continuum on the provider's:
  - Participation in the continuum of care plan, and 2013 Point in Time count
  - Data quality in local HMIS meets federal standards
  - Provider's usage of the CoC Coordinated Assessment system, where established
  - Provider's coordination of services with the other homeless services and housing providers in the continuum planning area
7. Homeless or formerly homeless persons participation in/on:
  - Provider's board of directors, or advisory body if the Provider is a local government agency
  - Provider's paid staff

### **Capacity and Performance Criteria: Homeless Prevention and Rapid Re-Housing**

1. Need in the area for assistance based on number of evictions and homeless population
2. Targeting assistance to families with children, or to youth exiting from state care

3. Continuum's assessment on provider's performance on percent of households who remain in permanent housing
4. Applicant is ACCESS Partner with the Department to assist clients to apply for and receive mainstream benefits, including food stamps, cash assistance and Medicaid
5. Certification by the continuum of the applicant's
  - Participation in the continuum of care plan, and 2013 Point in Time count
  - Data quality in HMIS meets federal standards
  - Applicant's usage of the continuum Coordinated Assessment system, where established
  - Applicant's formal agreement to serve clients referred to it from the continuum's Coordinated Assessment system
  - Applicant's coordination of services with other homeless service and housing providers in the continuum
  - Applicant's documented performance to enable clients served to receive mainstream resources and benefits
6. Homeless or formerly homeless persons participation in/on:
  - Applicant's board of directors, or advisory body if applicant is a local government agency
  - Applicant's paid staff

#### Limits on State Awards

The Department will only award one (1) grant under the Street Outreach category to any given continuum of care area.

Under the Homeless Prevention and Rapid Re-Housing category, the Department may limit the number of awards to no more than two to a given per continuum of care planning area, with no more than one (1) award to serve a given county.

## **Homeless Participation Requirement**

In the event that a sub-recipient of a grant from the Department does not meet the requirements for homeless participation on its policymaking body, and in staffing the activities funded by the grant, the Department shall require the recipient to develop and implement a plan to comply with the federal requirement. The corrective action plan shall be a condition for receipt of payment under the Department's grant award.

Applicants seeking funding from the Department shall be governed by the requirements in Section 576.405 of the HUD Interim Rule.

## **Performance Standards**

The following performance measures are proposed to be used jointly by the Department and the Continuum of Care planning lead agency to assess the performance of the Department's funded recipients under the 2013 Emergency Solutions Grant. Recipients will be required to provide copies of the Department required reports to the lead agency at the same time the report is due to the Department.

### Emergency Shelter Recipients

#### Performance Measures:

1. Reduction in the unsheltered homeless population of the Continuum of Care area.
2. Reduction in the recipients' average length of time stayed for clients served in the shelter.
3. Percentage of persons exiting the shelter who transition to permanent housing.
4. Percentage of persons exiting the shelter who leave with employment income.
5. Percentage of persons who exit and return to homelessness within 3 months.

### Street Outreach Recipients

#### Performance Measures:

1. Percentage of clients assessed who are successfully placed in housing.

2. Reduction in the number of unsheltered homeless persons in the Continuum of Care.
3. Reduction in the average length of time of the person's homeless episode in the CoC area
4. Percentage of clients assessed who were able to receive food stamp assistance.

#### Prevention and Rapid Re-Housing Recipients

##### Performance Measures

1. Reduction in the number of households with children who are homeless in the CoC area, or reduction in the number of unaccompanied youth in the CoC
2. At least 35% of the participants served remain in permanent housing 6 months following the last assistance provided under the grant.

#### **Consultation with the Continuum of Care Planning Areas**

The initial step in the Department's consultation process involved a survey sent to each continuum of care lead agency in early December. This survey sought feedback on the following areas:

- The priority needs in the continuum planning area;
- Suggested allocation of the state's grant among the four components: emergency shelter, outreach, prevention and rehousing;
- Performance measures to use to evaluate state funded recipients and process for joint evaluation with the Department;
- Participation of state recipients in the local HMIS;
- Status of the establishment of the coordinated assessment system.

Nine continuums responded to the survey by February 8. Other planning areas indicated that they were unable to complete the survey given the deadline to apply in January for the Continuum of Care NOFA, and the 2013 point in time counts in late January.

#### Priority Needs:

The highest priority need identified was prevention. Following closely in a tie for second priority was emergency shelter and rapid re-housing. A distant fourth priority was street outreach.

#### Allocation of State Grant:

The average allocation percentages among the four components are:

Emergency Shelter	40.6%
Street Outreach	8.6%
Prevention	25.7%
Re-Housing	25.1%

All of the CoC's responding supported the state policy to give first priority for grant awards to applicants serving the non-formula ESG geographic cities and counties.

#### Performance Measures:

Overall, most of the CoC's responding have not established performance measures for the four ESG component activities. Only five of the nine responding CoC's had an approved performance evaluation method in place. All of the respondents support a joint evaluation process with the Department to assess the state funded grantees. A couple of ideas were put for potential performance measures.

#### HMIS:

Seven of the respondents have policies in place to ensure that the state funded grantees will participate in the CoC's HMIS database. No CoC reported a policy to charge grantees a "participation fee" for HMIS usage. All of the respondents reported that their HMIS would generate the grant reporting required by HUD. Eight of the respondents provide regular ongoing HMIS training.

#### Coordinated Assessment System:

Only four of the CoC's responding report that they have adopted and are implementing the coordinated assessment system. Only two continuums have signed agreements in place with housing providers to place clients referred from the coordinated assessment system. The dates given have the required system fully implemented in the continuum ranged from June 2013 at the earliest, to September 2014 at the latest.

The second step in the Department's consultation plan is to submit the initial draft of the 2013 Action Plan to the 28 continuum of care planning areas for comment. The Department will use the comments to finalize the 2013 Action Plan for public hearing and the additional citizen

comment process.

The Department also consulted with the continuum of care planning areas in the development of the substantial amendment. Given the reduction in the grant award, input was sought on the allocations by eligible component, maximum award level, and other actions to offset reduced funding. The input received supported retaining the original allocation percentages for the eligible components, and favored reducing the grant award amounts by 26.7% for 2013.

The Department did not receive from the lead agencies of the continuum of care planning areas comments seeking changes to the draft Action Plan. Accordingly, the proposed Action Plan is being put forth for comment in the citizen participation process.

Attachment: Table AP-10, Consultation

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### AP-10 Consultation

Agencies, groups, and organizations who participated in consultations

	Agency/Group/Organization	Organization Type	Section of Plan Address
FL-500	Suncoast Partnership to End Homelessness	Planning Organization	Homeless Needs Homeless Strategy
FL-501	Homeless Coalition of Hillsborough County	Planning Organization	Homeless Needs Homeless Strategy
FL-502	Pinellas County Homeless Leadership Board	Planning Organization	Homeless Needs Homeless Strategy
FL-503	Homeless Coalition of Polk County	Planning Organization	Homeless Needs Homeless Strategy
FL-504	Volusia/Flagler County Coalition for the Homeless	Planning Organization	Homeless Needs Homeless Strategy
FL-505	Okaloosa Walton Homeless Continuum of Care	Planning Organization	Homeless Needs Homeless Strategy
FL-506	Big Bend Homeless Coalition	Planning Organization	Homeless Needs Homeless Strategy
FL-507	Homeless Services Network of Central Florida	Planning Organization	Homeless Needs Homeless Strategy
FL-508	Alachua County Coalition for the Homeless and Hungry	Planning Organization	Homeless Needs Homeless Strategy
FL-509	Treasure Coast Homeless Services Council	Planning Organization	Homeless Needs Homeless Strategy
FL-510	Emergency Services & Homeless Coalition of Jacksonville	Planning Organization	Homeless Needs Homeless Strategy
FL-511	EscaRosa Coalition on the Homeless	Planning Organization	Homeless Needs Homeless Strategy
FL-512	Emergency Services & Homeless Coalition of St. Johns County	Planning Organization	Homeless Needs Homeless Strategy
FL-513	Brevard County	Planning Organization	Homeless Needs Homeless Strategy
FL-514	Marion County Homeless Council	Planning Organization	Homeless Needs Homeless Strategy
FL-515	Homeless & Hunger Coalition of Northwest Florida	Planning Organization	Homeless Needs Homeless Strategy
FL-516	Tri-County Human Services	Planning Organization	Homeless Needs Homeless Strategy
FL-517	Highlands County Coalition for the Homeless	Planning Organization	Homeless Needs Homeless Strategy
FL-518	United Way of Suwannee Valley	Planning Organization	Homeless Needs Homeless Strategy

FL-519	Coalition for the Homeless of Pasco	Planning Organization	Homeless Needs Homeless Strategy
FL-520	Mid Florida Homeless Coalition	Planning Organization	Homeless Needs Homeless Strategy
FL-600	Miami- Dade County Homeless Trust	Planning Organization	Homeless Needs Homeless Strategy
FL-601	Broward County	Planning Organization	Homeless Needs Homeless Strategy
FL-602	Charlotte County Homeless Coalition	Planning Organization	Homeless Needs Homeless Strategy
FL-603	Lee County	Planning Organization	Homeless Needs Homeless Strategy
FL-604	Monroe County Homeless Services Continuum of Care	Planning Organization	Homeless Needs Homeless Strategy
FL-605	Palm Beach County	Planning Organization	Homeless Needs Homeless Strategy
FL-606	Collier County Hunger & Homeless Coalition	Planning Organization	Homeless Needs Homeless Strategy

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## **CONSOLIDATED PLAN TABLES FOR ESG**

Narrative for Table 1

### **Homeless Population**

The data reported is based on the 28 local continuum of care planning areas submission of their 2013 Housing Inventory Count (HIC) and Point-in-Time Count charts to the Office on Homelessness, following their submission to HUD in the Homeless Data Exchange. All 28 continuum of care planning areas carried out the mandatory one day and one night count of the sheltered and unsheltered homeless persons. All but one planning area completed the count in the last ten days of the January. Hillsborough County received a waiver from HUD to undertake a recount in April. The local continuums have relied upon HMIS data, provider records, street counts, counts with surveys, and sampling to complete the unduplicated count of those persons who were staying in emergency shelters or were living on the street. The local HIC and PIT tables were tabulated by the Office on Homelessness to generate the data reported in Table 1.

### **Housing Gap Analysis Chart**

All 28 continuum of care planning areas provided the Unmet Need Chart prescribed by HUD. This data was tabulated to reflect the unmet need/gap for beds by housing type for both Individuals and Persons in Families with Children. Not all of the local homeless planning areas provided the full housing inventory broken down by household type. As a result, the Department is not able to breakdown the inventory of beds by Individuals and by Families with Children. Accordingly, the data reports the total beds by emergency shelter, transitional housing and permanent supportive housing under the Individual portion of the Table 1. The Department did not tabulate the number of beds under development, focusing rather on the tabulation of the current inventory. Accordingly, the Department does not have any totals by type of housing that is under development for 2013.

### **Homeless Population and Subpopulations Chart**

The Office on Homelessness received the Point-in-Time Count charts from all 28 local continuums of care. These planning areas cover all but three counties in the state. The three counties not participating are Union, Baker and Dixie, small rural counties.

The Point-in-Time Count data was tabulated by the Office to complete the Homeless Population and Homeless Subpopulations portions of Table 1. The total for the “Number of Single Individuals and Persons in Households without Children” reflects the 2013 chart data for households with only children plus the households without children.

The source of this data includes the local homeless management information system files, provider records, street counts, street counts with surveys, and statistically reliable samples. The methods used by the 28 continuum of care areas are reported to HUD in the submission via

the Homeless Data Exchange.

TABLE 1.

Housing Needs and Special Needs (Non-Homeless) Subpopulations.

The Department of Children and Families has no input to these portions of Table 1.

Table 1. Housing, Homeless and Special Needs (required)

### Housing Needs

Household Type	Elderly Renter	Small Renter	Large Renter	Other Renter	Total Renter	Owner	Total
<b>0 –30% of MFI</b>							
%Any housing problem							
%Cost burden > 30							
%Cost Burden > 50							
<b>31 - 50% of MFI</b>							
%Any housing problem							
%Cost burden > 30							
%Cost Burden > 50							
<b>51 - 80% of MFI</b>							
%Any housing problem							
%Cost burden > 30							
%Cost Burden > 50							

### Homeless Continuum of Care: Housing Gap Analysis Chart

	Current Inventory	Under Development	Unmet Need/ Gap
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#### Individuals

Example		100	40	26
	<b>Emergency Shelter</b>			
<b>Beds</b>	Emergency Shelter	10,023	N/A	3,816
	Transitional Housing	13,718	N/A	4,821
	Permanent Supportive Housing	16,455	N/A	9,048
	Total	40,196	N/A	17,685
Chronically Homeless		3,800	N/A	3,385

#### Persons in Families With Children

<b>Beds</b>	Emergency Shelter	*	N/A	2,336
	Transitional Housing	*	N/A	3,577
	Permanent Supportive Housing	*	N/A	4,079
	Total	*	N/A	9,992
	N/A= data was not tabulated by the Office on Homlessness, Department of Children and Families			
*see narrative referenced on page 116				

### Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Families with Children (Family Households)	959	1,476	3,386	5,821
1. Number of Persons in Families with Children	2,902	4,413	9,164	16,479

2. Number of Single Individuals and Persons in Households without Children	5,824	6,429	19,028	31,281
<b>(Add lines Numbered 1 &amp; 2 Total Persons)</b>	8,726	10,842	28,192	47,760
<b>Part 2: Homeless Subpopulations</b>				
	<b>Sheltered</b>		<b>Unsheltered</b>	<b>Total</b>
a. Chronically Homeless	1,399		7,757	9,156
b. Seriously Mentally Ill	2,977			
c. Chronic Substance Abuse	3,800			
d. Veterans	2,328			
e. Persons with HIV/AIDS	526			
f. Victims of Domestic Violence	2,450			
g. Unaccompanied Youth (Under 18)	418			

**Table 1 Housing, Homeless and Special Needs**

<b>Special Needs (Non-Homeless) Subpopulations</b>	<b>Unmet Need</b>
1. Elderly	
2. Frail Elderly	
3. Severe Mental Illness	
4. Developmentally Disabled	
5. Physically Disabled	
6. Persons w/Alcohol/Other Drug Addictions	
7. Persons w/HIV/AIDS	
8. Victims of Domestic Violence	
9. Other	

## APPENDIX 1

### **Glossary of Terms**

**AFFORDABLE HOUSING** - Housing in which the resident is paying no more than 30 percent of his gross income for housing costs, including utilities.

**BASIC CONSTRUCTION NEED (BCN)** - Based on a projection of household growth over a given planning period, the BCN estimates the total number of new housing units needed to accommodate the growth in a given area, taking into account maintenance of adequate vacancy rates, market removals and tenure costs,

**CERTIFICATION** - A written assertion, based on supporting evidence, that must be kept available for inspection by HUD, the Inspector General of HUD and the public.

**COMMUNITY-BASED ORGANIZATION (CBO)** - A private nonprofit corporation organized under Chapter 317, Florida Statutes, to assist in the provision of housing or related services.

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)** - A federal program whose funds are administered by state and local governments and may be used in various ways to support economic development, community and neighborhood revitalization, and housing projects. CDBG-funded activities must meet one of three objectives: to benefit low- and moderate-income persons, to eliminate slums or blight or to meet urgent needs.

**COMMUNITY DEVELOPMENT CORPORATION (CDC)** - An entity organized to address long-term community revitalization by building affordable housing, assisting or starting small businesses, and creating jobs. CDCs build partnerships among government, the community and the private sector to attract and leverage the investments needed in their communities.

**COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)** - In the HOME program, a CHDO is a private, non-profit 501(C) (3), tax-exempt organization that provides affordable housing to low- and moderate-income people. In order to meet its obligation under the law, a participating jurisdiction (PJ) must spend at least 15 percent of its HOME allocation on housing developed, sponsored or owned by an organization that fits the definition of a CHDO. There are several requirements an organization must meet to be considered a CHDO, including significant representation by low-income residents on its board of directors, a formal process for low-income HOME beneficiaries to advise the CHDO and an experienced staff or a plan for staff training.

**CONSOLIDATED PLAN (OR "THE PLAN")** - The document that is submitted to HUD that serves as the planning document (Comprehensive Housing Affordability Strategy and Community Development Plan) of the jurisdiction and application for funding under any of the Community Planning and Development formula grant programs. This includes CDBG, ESG, HOME and HOPWA.

**CONSORTIUM** - Any organization of geographically contiguous units of general local government that are acting as a single unit of general local government for purposes of the HOME program (see 24 CFR part 92).

**COST BURDEN** - The extent to which gross housing costs, including utility cost, exceed 30 percent of gross income based on data available from the U.S. Census Bureau.

**ELDERLY HOUSEHOLD** - For the Department of Housing and Urban Development (HUD) rental programs, a one- or two-person household in which the head of the household or spouse is at least 62 years of age.

**ELDERLY PERSON** - A person who is at least 62 years of age.

**EMERGENCY SHELTER**- Any facility with overnight sleeping accommodations, the primary purpose of which is to provide temporary shelter for the homeless in general, or for specific populations of the homeless, and which does not require occupants to sign leases or occupancy agreements.

**EMERGENCY SOLUTIONS GRANT**- Under the Emergency Solutions Grant (ESG) program, HUD grants funds to states, metropolitan cities, urban counties and territories. The grants are based on the formula used under the CDBG program and provide for safe and sanitary shelter, supportive services, street outreach, and rental assistance to people facing homelessness or who are homeless. Eligible ESG activities include renovation, rehabilitation, and conversion of buildings to be used as emergency shelters for homeless persons, operating costs and supportive services to the homeless sheltered. Funds may also be used to cover street outreach services to the unsheltered homeless population, rental assistance to prevent homelessness, as well as rental assistance to rapid re-house homeless persons into permanent housing.

**EXTREMELY LOW-INCOME FAMILY** - Household whose income is between 0 and 30 percent of the median income for the area as determined by HUD with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

**FAIR HOUSING ACT** - A housing act which makes it illegal to refuse to rent, sell, negotiate, or offer different terms and conditions, or otherwise deny housing because of race, color, religion, sex, national origin, disability or familial status,.

**FLORIDA HOUSING FINANCE CORPORATION (FHFC)** - The FHFC was created to finance affordable housing for very low-, low-, moderate- and middle- income persons, and to stimulate the home-building industry. It is the state's leading housing production agency.

**HOMELESS FAMILY WITH CHILDREN** - A family composed of the following types of homeless persons: at least one parent or guardian and one child under the age of 18, a pregnant woman

or a person in the process of securing legal custody of a person under the age of 18 who meets the definition of a homeless person

**HOMELESS PERSON-** An individual who lacks a fixed, regular and adequate nighttime residence, including:

(1) an individual who has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing); an individual exiting an institution that provides a temporary residence for individuals intended to be institutionalized, where the individual resided for 90 days or less, and was homeless prior to that stay in the institution; and a public or private place not designed for, or ordinarily used as a regular sleeping accommodation for human beings.

(2) an individual who will imminently lose their primary residence within 14 days and no subsequent residence has been identified, and the person lacks the resources or support networks to obtain other permanent housing.

(3) an unaccompanied youth or families with children who are defined as homeless under other federal laws, and

(4) an individual fleeing domestic violence who has no other residence and lacks the resources or support network to obtain other permanent housing.

**HOMELESS SUBPOPULATIONS** - Include the following categories of homeless persons: chronically homeless, severely mentally ill, chronic substance abuse, victims fleeing domestic violence, unaccompanied youth, military veterans, and persons with HIV/AIDS.

**HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)** - HOME was enacted in 1990 as part of the Cranston-Gonzales National Affordable Housing Act. HOME funds are allocated to states and local governments on a needs-based formula and require participating jurisdictions to match HOME dollars depending on the type of housing activity. The FHFC administers the state's HOME program and participating jurisdictions throughout Florida receive HOME funds to operate local programs. HOME funds may be utilized to provide low-interest loans to developers for the acquisition and/or rehabilitation of low-income rental and homeowner units, and new construction of low-income rental housing units.

**HOMEOWNERSHIP AND OPPORTUNITIES FOR PEOPLE EVERYWHERE (HOPE)** - The HOPE programs were adopted as part of the National Affordable Housing Act of 1990. There are three key programs: HOPE I provides home ownership for low-income families living in multi-family public or Indian housing and contiguous single-family public housing properties; HOPE II provides for homeownership in multi-family properties owned or held by Federal Housing Administration (FHA), Veteran's Administration (VA), or state and local governments; HOPE III provides for home ownership for single-family properties owned or held by FHA, VA, Rural Economic and Community Development (formerly FmHA) or state and local governments, as well as scattered-site PHA single-family properties.

**HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA)** - A program that grants funds to state and local governments to design long-term, comprehensive strategies to meet the

housing needs of low-income people with AIDS. Participating jurisdictions have the flexibility to create a range of housing programs for people with AIDS, individually tailored to meet local needs.

**HOUSING PROBLEMS** - Include households characterized by physical defects or overcrowding, or which have a cost burden greater than 30 percent.

**JURISDICTION** - A state or unit of general local government.

**LARGE FAMILY** - Family of five or more persons.

**LEAD-BASED PAINT HAZARD** - Any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil or lead-contaminated paint that has deteriorated or is present in accessible surfaces, friction surfaces or impact surfaces that would result in adverse human health effects as established by the appropriate federal agency.

**LOW-INCOME FAMILIES** - Families whose incomes do not exceed 50 percent of the median income for an area as determined by HUD with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

**LOW-INCOME HOUSING TAX CREDIT PROGRAM (LIHTC)** - A program administered by the Florida Housing Finance Corporation which encourages private developers to build and maintain affordable housing in a mixed-income setting through the use of federal income tax credits. The program offers a dollar-for-dollar reduction in exchange for the acquisition and substantial rehabilitation or construction of rental housing projects that set aside at least 20 percent of their units for very low-income households.

**MODERATE-INCOME FAMILY** - Families whose incomes do not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of the prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

**MIDDLE INCOME FAMILY** - Families whose incomes are between 80 percent and 95 percent of the median income for the area as determined by HUD with adjustments for smaller and larger families. HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD's findings that levels of construction costs or fair market rents, or unusually high or low family incomes. (This corresponds to the term "moderate-income family" under the CHAS Statute, 42 U.S.C. 12705.)

**NATIONAL AFFORDABLE HOUSING ACT (NAHA)** - In October, 1990, Congress approved the National Affordable Housing Act. The legislation evolved from a process that began in

September 1987 when Congress created the National Housing Task Force. The Task Force was charged with the responsibility to conduct a thorough study of the nation's housing needs. Key elements of NAHA are the HOPE and HOME programs.

**OVERCROWDING** - A housing unit containing more than one person per room.

**PARTICIPATING JURISDICTION (PJ)** - Participating jurisdictions are states, units of local government and consortia that are designated by HUD to directly administer the HOME program. There are urban PJs throughout Florida in addition to the state PJ and the Florida Housing Finance Corporation.

**PERSON WITH A DISABILITY** - A person who meets at least one of the following criteria: (1) Has a physical, mental or emotional impairment that: Is expected to be of prolonged and indefinite duration; Substantially impedes his or her ability to live independently; Is of such a nature that the ability to live independently could be improved by more suitable housing conditions. (2) Has a developmental disability, as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6007); or (3) Is a surviving member of any family that had been living in an assisted unit with a deceased member of the family who had a disability at the time of his or her death.

**PLAN CONSISTENCY DETERMINATIONS** - A jurisdiction's certification that an application is consistent with its consolidated plan means the jurisdiction's plan shows need, the proposed activities are consistent with the jurisdiction's *strategic plan*, and the location of the proposed activities is consistent with the geographic areas specified in the plan. The consistency certification by a jurisdiction is to the jurisdiction's *strategic plan*, not its *action plan*. The Plan completed in 2011-2015 is the State of Florida Consolidated Plan (its "strategic plan").

**POVERTY LEVEL FAMILY** - Family with an income below the poverty line, as defined by the Office of Management and Budget and revised annually.

**PREDEVELOPMENT LOAN PROGRAM (PLP)**- A program administered by the Florida Housing Finance Corporation that provides loans and/or grants to local governments, housing authorities and non-profit organizations engaged in the sponsorship of housing for very low- and low-income households, and farmworker households. The PLP provides loans for: site acquisition and development; consultant, architectural, engineering and surveying fees; and other expenses incurred in preparing land for the construction of very low- and low-income housing.

**PUBLIC HOUSING AUTHORITIES (PHA)** - Local housing entities that develop, own and operate public housing projects. HUD furnishes technical assistance in planning, developing and arranging the projects, and gives financial assistance by funding the development and modernization costs, and by making annual contributions for operating subsidy.

**SEVERE COST BURDEN** - The extent to which gross housing costs, including utility costs, exceed 50 percent of gross income, based on data available from the U.S. Census Bureau.

**SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAM** - A program administered by the Florida Housing Finance Corporation that uses the proceeds from tax-exempt and taxable mortgage revenue bonds to provide first-time low- and moderate-income homebuyers with below-market interest rate mortgage loans.

**SINGLE ROOM OCCUPANCY (SRO)** - Term that describes hotels that provide housing for elderly, the disabled, the working poor and others who, without SROs, might otherwise be homeless. An SRO room typically has a sink, closet and sleeping space. Bathroom, shower and kitchen spaces are generally shared with others.

**TRANSITIONAL HOUSING** - A project that is designed to provide housing and appropriate supportive services to homeless persons to facilitate movement to living facilities within 24 months or a longer period approved by HUD. For purposes of the HOME program, there is no HUD-approved time period for moving to in living facilities.

**UNIT OF GENERAL LOCAL GOVERNMENT** - A city, town, township, county, parish, village or other general purpose political subdivision of a state, or a consortium of such political subdivisions recognized by HUD in accordance with the HOME program (24 CFR Part 92) or the CDBG program (24 CFR Part 570).

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## APPENDIX 2

### **CITIZEN PARTICIPATION PLAN**

#### **Citizen Participation**

Florida's Citizen Participation Plan encourages involvement of citizens as well as representatives of agencies and organizations that share an interest in the issues or serve the clientele for which HUD funding is intended. The Plan requires that public meetings be held, that a public comment period be provided on certain documents, and that timely response be made to comments or complaints. It requires participation with other agencies, nonprofits, citizen groups and interested parties.

All state agencies utilize the Florida Administrative Register (FAR), an on-line publication of the Department of State, to provide public notice of meetings, hearings, funding announcements, and reports. This publication reaches state agencies, local governments, nonprofit organizations, and major lobbying groups. It facilitates citizen participation by providing concise information that can be transmitted to interested parties. Further, state agencies have websites where information is posted on such items as funding cycles, application deadlines, public hearings and meetings. In addition to posting information to agency websites, various agencies are utilizing social media outlets such as Facebook and Twitter to publicize technical assistance and training events, grant-funding opportunities, and increase an awareness of services.

Although the state of Florida's administration of HUD funds differs significantly from the manner in which local jurisdictions administer entitlement funds, it encourages the participation of residents of public and assisted housing developments and recipients of tenant-based assistance in the process of developing and implementing the consolidated plan, along with other low-income residents of targeted revitalization areas in which the developments are located. The state of Florida makes an effort to provide information to all housing agencies about consolidated plan activities.

#### **Public Hearings and Other Actions**

The Department utilized meetings that were open to the public in the development of the 2013 Annual Action Plan. The initial meeting addressed plan requirements and the need for public participation. Upon completion of the draft, a public hearing was conducted. The following reflects the meeting schedule used for the process:

3/5/13	Annual Action Plan meeting noticed and posted to website
3/20/13	Work Group Meeting (Tallahassee)
4/6/13	Annual Action Plan draft/edit due to DEO
4/11/13	Public Hearing (Tallahassee)
4/11/13 to 5/11/13	30 day comment period
5/15/13	Final Annual Action plan submitted to HUD

6/18/13	Substantial Amendment posted to DEO website, 30 day comment period begins
7/18/13	Public Hearing for Substantial Amendment

In an effort to achieve maximum participation, announcements were published in the FAR, posted to the Department's web site, and emailed to interested parties including state and local government agencies, nonprofit organizations, homeless coalitions, and social service agencies. The announcements indicated that persons requiring special accommodations (because of a disability, physical impairment or language barrier) should contact the Department prior to meetings. Rooms used for the meetings were accessible to the disabled, and no special arrangements were requested. The Department urged agencies and interested parties to submit written comments.

### **Action Steps**

Before the state of Florida submits the final State Consolidated Plan or the Annual Action Plan to HUD, it shall make available to citizens, units of local governments, public and private agencies, and other interested parties, the following information:

- Amount of assistance in the CDBG, HOME, ESG and HOPWA programs that the State of Florida expects to receive;
- Range of activities that may be undertaken in the covered programs;
- Estimate of the amount of assistance that will benefit persons of very low- and low-income;
- Plans to minimize displacement of persons and assistance available to those persons who may be displaced.

### **Notice of Hearings and Access to Meetings**

Notice of actions subject to the citizen participation requirements shall be given to all interested parties by means any of the following:

- Notice published in the Florida Administrative Register, formerly Florida Administrative Weekly.
- Notice posted to the agency's website.
- Notice emailed directly to all persons, agencies, or parties expressing interest in the following programs: Small Cities CDBG, HOME Investment Partnerships, Emergency Solutions Grant and other McKinney Act programs, and Housing Opportunities for Persons With AIDS.

A minimum notice of 30 days will be provided prior to work group meetings and/or public hearings where actions subject to the citizen participation requirement will be recommended or taken. Public hearings may be referred to as Work Group Meetings.

All public notices will contain the name and telephone number of a person to contact if special accommodation is needed due to a disability or language barrier. The notice may require a

five-day advance notice for special accommodations. The Department will ensure that any non-English speaking person can participate in the consolidated planning process and comment on documents produced. This may include the presence of translators at meetings and the translation of summary documents.

The notice will also contain the name and telephone number of a person to contact for additional information about the topic that is being addressed. All notices shall provide the name and address of an individual who will receive comments if the public is being offered an opportunity to make comments. If appropriate, a deadline date will be indicated.

### **Public Hearings, Publishing the Plan, and Comments**

At a minimum, the state shall conduct public hearings to solicit public comment on the following:

All required elements of the Consolidated Plan:

- The state of Florida shall hold at least one public hearing or work group meeting (open to the public) during the preparation of the State Consolidated Plan.
- An additional hearing shall be conducted after a draft has been completed to receive final comments.
- A draft will be posted to the web site and kept so that the public has electronic access. In addition, summary plan information or copies of the plan will be made available upon request.
- The state of Florida shall provide all interested persons, agencies, or organizations, a minimum of 30 days to comment on the draft Plan or any amendment to the Plan once that document has been formally noticed as available for review and comment. This 30-day review period shall be run prior to the submission of the document to HUD.
- The state of Florida shall provide all interested persons, agencies, or organizations, a minimum of 30 days to comment on the Annual Performance Report once that document has been formally noticed as available for review and comment. This 30-day review period shall be run prior to the submission of the document to HUD.
- All written comments shall be acknowledged in writing within 15 days. A summary of written comments and the state of Florida's responses will be incorporated into the plan. The summary of citizen comments will include an explanation as to whether or not the comments were accepted and why.
- The Department will ensure that any non-English speaking person, or disabled person, can participate in the consolidated planning process and comment on documents

produced. This may include the presence of translators at meetings and the translation of summary documents.

Any amendment to the Consolidated Plan:

- Amendments are submitted concurrently with the Annual Action Plan where possible and are noticed, with hearings held, in the same manner as those prescribed for the Annual Action Plan.

All elements of the Annual Action Plan and Annual Performance Report:

- The state shall hold at least one public hearing or work group meeting (open to the public) during the preparation of the Annual Action Plan to receive comments from interested parties.
- A draft of the Annual Action Plan shall be posted to the agency website and made available to the public upon request.
- The public shall be given 30 days in which to comment on the Annual Action Plan prior to its submission to HUD.
- A draft of the Annual Performance Report shall be posted to the agency website and made available to the public upon request. A notice will be posted stating that the public shall be given 30 days in which to comment on the Annual Performance Report prior to its submission to HUD.
- All written comments will be acknowledged in writing within 15 days. A summary of written comments and the State's response will be incorporated into the plan. The summary will include a written explanation of comments not accepted and the reasons why the comments were not accepted.
- The Department will ensure that any disabled or non-English speaking person, or disabled, can participate in the consolidated planning process and comment on documents produced. This may include the presence of translators at meetings and the translation of summary documents.

### **Substantial Amendments**

Prior to the submission of any substantial change in the proposed use of funds, the public will have reasonable notice of, and opportunity to comment on, the proposed amendment. The following actions constitute a substantial amendment to the Plan, subject to citizen participation requirements:

- Any modification to the method of distribution of funding in any of the programs covered by the Plan; or

- Any change to the strategies, priority needs or objectives in the State Consolidated Plan.

### **Individual Program Citizen Participation**

The Citizen Participation Plan governing the State's Consolidated Plan shall be considered as additional citizen participation requirements applicable to the individual programs and shall not be considered as requirements in lieu of or in place of any other applicable requirement. For example, where state agency rule-making is required to implement a program, the minimum requirements for public notice and public hearings for agency rule-making pursuant the Florida Administrative Procedures Act (Chapter 120, Florida Statutes), shall not be modified in any way. Similarly, where the Florida Statutes require certain citizen participation activities, those shall not be eliminated or altered in any way. However, this Citizen Participation Plan for the Consolidated Plan, required by federal regulations, shall not contain nor restate those program-specific requirements for citizen participation.

### **Access to Information**

Florida's "Government in the Sunshine" and "Open Records" laws apply to all programs administered by state agencies. These laws ensure that records are available for public inspection upon request and that citizens are informed about governmental activities. All records and information on the use of funds in the CDBG, HOME, ESG, and HOPWA programs administered by the state shall be available for public inspection during normal working hours. Requests for extensive data or records access may be scheduled by the appropriate state agency at a reasonable time. Records shall be maintained for a period of six-years for the programs covered by the State Consolidated Plan. They should be maintained within the programs' official offices for a two-year period and then sent for the remainder of the six-year period to the state of Florida's records management center.

Florida law also requires that services be made accessible to disabled persons. All state agencies that receive HUD funds comply with federal and state regulations relating to the accessibility of information and require that subgrantees and other service providers take steps to remove barriers to accessibility that may exist within their administrative offices or buildings that are addressed with federal or state funds.

Citizens, public agencies, and other interested parties, including those most affected, are provided information upon request. All files relating to the preparation of the documents covered by the consolidated planning process are available for public inspection. The files document the process used to develop the document. Files are available for public inspection during regular business hours. The HUD funded programs provide copies of the proposed and adopted Annual Action Plan, Consolidated Plan, and Annual Performance Report, along with any supporting documentation, to the public in a timely manner and at reasonable or no cost.

## **Complaints**

The state shall record and respond in writing to all citizen complaints within 15 days of receipt. This response will be provided to complaints regarding the proposed State Consolidated Plan, the final State Consolidated Plan, amendments to the State Consolidated Plan, the Annual Action Plan and the Annual Performance Report. The state shall establish a file of all citizen complaints, along with the written response, on the proposed State Consolidated Plan, the final State Consolidated Plan, the Annual Action Plan, and the Annual Performance Report. The file shall be available to the public upon request.

The state shall refer any complaints regarding program implementation at the local level to the appropriate state sub-recipient or agency responsible for the delivery of the services, and shall require that entity to respond in writing to the complainant within 15 working days with a copy of the written response provided to the state. If the state does not feel that the response is adequate, it will determine the most appropriate action to take. All responses whether provided by the state or sub-recipient must be responsive to the issue.

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### **APPENDIX 3**

#### **MONITORING COMPLIANCE WITH THE STATE'S CONSOLIDATED PLAN**

Although the Department of Economic Opportunity has assumed the responsibility for the coordination and development of the state's Consolidated Plan, each affected agency is responsible for ensuring that their respective programs are administered in accordance with the Plan. The administrators of the programs (Small Cities CDBG, ESG, HOME and HOPWA) have the primary responsibility for ensuring that components of the Consolidated Plan and Annual Action Plan that relate to the program they oversee accurately describes the manner in which the program is administered. Administrators must ensure that the programs are in compliance with applicable federal and state rules and regulations.

Federal and state laws, and the administrative rules adopted to carry out these laws, are very specific with respect to how the programs are to be implemented. These laws, rules and regulations are incorporated into the Consolidated Plan (specifically, the Annual Action Plan which describes the use of funds). Therefore, as long as administrators comply with applicable federal and state laws and administrative rules, it can to some extent be assumed that the programs are in compliance with the Consolidated Plan.

The administrators and the staff of the four programs maintain contact throughout the year and meet as necessary to ensure that issues relating to the Plan are appropriately addressed. Each agency has its own inspector general that from time-to-time monitors the programs within the agency. In addition, the state Auditor General's office and HUD regularly monitor the programs. All of the affected agencies rely on both state and federal monitoring as a means of noting problem areas.

The Department of Economic Opportunity frequently certifies that applications for funding projects administered by the Florida Housing Finance Corporation are consistent with the State's Consolidated Plan. Public housing authorities also submit copies of their plans to the Department for certification of consistency with the State's Consolidated Plan. Projects that further the goals of fair housing and equal opportunity, affordable housing, reducing hazards such as lead based paint, assisting the special needs population, improving infrastructure, creating jobs, and revitalizing downtown areas are typically consistent with the goals and objectives outlined in the State's Consolidated Plan.

## **APPENDIX 4**

### **Monitoring of the Small Cities CDBG Program**

#### **CDBG PROGRAM MONITORING**

##### **State Program Administration Monitoring**

The Florida Auditor General and HUD regularly monitor the state's administration of the programs covered in the Consolidated Plan (the ESG, HOME, HOPWA and Small Cities CDBG program). In addition, each agency's inspector general audits its respective program. Each of these audits assesses the state's performance in administering the program in accordance with state and federal laws, rules and regulations. When audit findings are noted, the programs administrators take immediate steps to resolve the deficiencies. Program managers also ensure that federal and state laws, rules and regulations are being carried out by monitoring subgrant activities. Monitoring checklists help staff determine if appropriate procedures are being followed.

##### **CDBG Grants Management and Subgrantee Monitoring**

The Small Cities CDBG program uses a regional approach that divides the state into seven areas for managing the program and monitoring subgrant recipients. The grant managers are assigned to regions so that they can become familiar with the area's needs, provide better technical assistance, and resolve local subgrant-related issues. The boundaries for these regions are revised, as needed, to ensure that one grant manager does not have a workload that is substantially larger than the other staff members.

The Department of Economic Opportunity has developed a standardized system for monitoring subgrant recipient compliance with federal and state laws, rules and regulations. This monitoring actually begins at the time of the project site visit before an award is made. As soon as applications for funding are scored and ranked, site visits are made to the potential recipients. At this time, the staff confirms that all policies and procedures that need to be adopted to meet application criteria or departmental rules are in place. Audits from the previous two years are reviewed to ensure that there are no unresolved audit findings that impact the administration of a project funded with CDBG dollars. The CDBG grant manager then verifies the data provided in the application for funds.

When a subgrant agreement is awarded, program and special conditions are included in the contract. Some of the conditions are preliminary administrative requirements (i.e., items relating to procurement, environmental review, and plans and specifications) that the subgrant recipient must comply with before starting construction. The CDBG grant manager is responsible for ensuring that the program and special conditions are satisfied within a specified length of time. The grant manager conducts an initial subgrant monitoring at his/her desk to review the procurement process for administrative and engineering services, if applicable. Each procurement funded by the CDBG Program must comply with 24 CFR 85.36 and § 287.055, Florida Statutes.

At least two on-site monitoring visits are conducted for each subgrant agreement. The first on-site monitoring visit is normally made when approximately 25% of the funds have been expended. A second on-site visit is conducted when construction is about 80% complete. An exception to the two-visit policy is when a subgrantee has two active subgrants and a monitoring visit on the second subgrant would normally be conducted within three months of an on-site visit for the first subgrant. If all of the contracts for the second subgrant are the same, the grant manager can perform a desk monitoring for program administration, civil rights, and financial activities of the second subgrant using information gathered during the monitoring visit for the first subgrant. (If state travel becomes more restricted, some monitoring visits may have to be conducted by conference call or internet connection.)

The grant manager conducts additional on-site monitoring visits as needed. Subgrant recipients that are experiencing difficulties are monitored as often as is necessary to ensure compliance with federal and state laws, rules and regulations. These visits may include extensive technical assistance to help the subgrantee build administrative capacity.

The Small Cities CDBG Program currently has 21 checklists that have been developed to assist grant managers in monitoring subgrants. The grant managers determine which of these monitoring checklists are needed for each on-site or desk/telephone monitoring. These checklists ensure that all phases of contract administration that apply to the respective subgrant are appropriately reviewed during the subgrant period.

Following a monitoring visit, the grant manager prepares a monitoring report that is reviewed by the Small Cities CDBG planning manager. After the planning manager has approved the report, a cover letter is signed by the community program manager or the planning manager if there are no issues and a copy of the report is mailed to the subgrant recipient. The report lists any deficiencies in the implementation or administration of the subgrant that were discovered during the monitoring visit and the actions that the subgrantee must take to resolve the findings. If no findings are noted, but areas of potential concern are discovered, the Department advises the subgrant recipient of these concerns so that it can take the necessary steps to ensure that the concerns do not become findings.

All monitoring is conducted in accordance with HUD guidelines, as well as applicable federal and state rules and regulations. Subgrant recipients that experience administrative problems, are behind schedule, or fail to submit timely reports and Requests for Funds are monitored more frequently than those whose activities are completed in accordance with their work plans.

The Department reviews the annual audit report of the subgrant recipient to ensure that no audit findings exist that impact the subgrantee's administration of the program. If the Department discovers that the subgrantee's auditor has identified areas that need to be addressed, the local government is notified of the findings and the actions that should be taken to resolve the issue. The grant manager reviews the Department's technical audit memo with the Recipient during monitoring visits and completes the applicable monitoring form. Finally, the Small Cities CDBG Program uses a closeout checklist that serves as a final desktop review of the project. Contracts are not closed until all requirements have been fulfilled and funds appropriately accounted for.

## **APPENDIX 5**

### **SMALL CITIES METHOD OF DISTRIBUTION**

#### **Introduction**

The Florida Department of Economic Opportunity receives an annual allocation from the U.S. Department of Housing and Urban Development to administer the Small Cities Community Development Block Grant (CDBG) Program. The Department publishes a Notice of Funding Availability (NOFA) in the Florida Administrative Register prior to the opening of the annual funding cycle. This NOFA informs residents of Florida of the availability of Small Cities CDBG funding by category and the opening and closing date of the funding cycle.

When the Department receives notification of the annual allocation, the Small Cities CDBG planning manager reviews the allocation and makes recommendations for funding based on previous allocations and distributions, expected application submissions, and Department priorities. A committee made up of the Director of the Division of Community Development, the CDBG community program manager, the planning managers for the Small Cities and Operations units and the CDBG planner review the recommendations and adopt a funding distribution plan for the funding cycle. This distribution is incorporated into the annual action plan prior to the public hearing on the action plan.

Deobligated funds and program income funds sometimes become available during the federal fiscal year. When funds become available, the same committee that adopts the funding distribution plan for the annual action plan meets to determine how to allocate these funds. The funds can be used to award the highest ranking applications that did not receive funding during the current cycle, planning grants that have successfully completed the design phase and are ready to enter the construction phase, or economic development projects on the funding reservation list. If Emergency Set-Aside funds become available on April 1 because there has been no state declared disaster, those funds are used to award the highest ranking unfunded applications from the cycle.

Neighborhood Revitalization, Housing Rehabilitation and Commercial Revitalization subgrants are awarded on a competitive basis. Economic Development subgrants are awarded on a competitive basis if the Small Cities CDBG Program receives more funding requests than there are funds available. Otherwise, eligible economic development projects are awarded on a first-come, first-served basis.

#### **Application Process**

Florida Statutes and Administrative Rules governing the Small Cities CDBG Program contain guidelines for who can apply for CDBG funding, the application process, and how the applications are scored and ranked. The Small Cities CDBG application form, which is incorporated into the administrative rule by reference, gives the specific scoring criteria for Economic Development, Neighborhood Revitalization, Housing Rehabilitation, and Commercial Revitalization applications. The application form can be downloaded from the Small Cities

CDBG website. Each applicant self-scores its application while completing the form, using data found on the U.S. Department of Housing and Urban Development (HUD) website, the Small Cities CDBG website, and that it generates during the application process.

The applicable statutes and section of the administrative rule that contain the application guidelines are included below:

## **Florida Statutes – CDBG**

### **Section 290.046, F.S., Applications for grants; procedures; requirements. –**

(1) In applying for a grant under a specific program category, an applicant shall propose eligible activities that directly address the objective of that program category.

(2)(a) Except as provided in paragraph (c), each eligible local government may submit an application for a grant under either the housing program category or the neighborhood revitalization program category during each annual funding cycle. An applicant may not receive more than one grant in any state fiscal year from any of the following categories: housing, neighborhood revitalization, or commercial revitalization.

(b) Except as provided in paragraph (c), each eligible local government may apply up to three times in any one annual funding cycle for a grant under the economic development program category but shall receive no more than one such grant per annual funding cycle. Applications for grants under the economic development program category may be submitted at any time during the annual funding cycle, and such grants shall be awarded no less frequently than three times per funding cycle. The Department shall establish minimum criteria pertaining to the number of jobs created for persons of low or moderate income, the degree of private sector financial commitment, and the economic feasibility of the proposed project and shall establish any other criteria the Department deems appropriate. Assistance to a private, for-profit business may not be provided from a grant award unless sufficient evidence exists to demonstrate that without such public assistance the creation or retention of such jobs would not occur.

(c)1. Local governments with an open housing, neighborhood revitalization, or commercial revitalization contract shall not be eligible to apply for another housing, neighborhood revitalization, or commercial revitalization grant until administrative closeout of their existing contract. The Department shall notify a local government of administrative closeout or of any outstanding closeout issues within 45 days of receipt of a closeout package from the local government. Local governments with an open housing, neighborhood revitalization, or commercial revitalization community development block grant contract whose activities are on schedule in accordance with the expenditure rates and accomplishments described in the contract may apply for an economic development grant.

2. Local governments with an open economic development community development block grant contract whose activities are on schedule in accordance with the expenditure rates and accomplishments described in the contract may apply for a housing or neighborhood revitalization and a commercial revitalization

community development block grant. Local governments with an open economic development contract whose activities are on schedule in accordance with the expenditure rates and accomplishments described in the contract may receive no more than one additional economic development grant in each fiscal year.

(d) Beginning October 1, 1988, the department shall award no grant until the Department has determined, based upon a site visit, that the proposed area matches and adheres to the written description contained within the applicant's request. If, based upon review of the application or a site visit, the Department determines that any information provided in the application which affects eligibility or scoring has been misrepresented; the applicant's request shall be rejected by the Department pursuant to s. 290.0475(7). Mathematical errors in applications which may be discovered and corrected by readily computing available numbers or formulas provided in the application shall not be a basis for such rejection.

(3)(a) Each application shall be ranked competitively based on community need and program impact. Community need shall be weighted 25 percent. Program impact shall be weighted 65 percent. Outstanding performance in equal opportunity employment and housing shall be weighted 10 percent.

(b) The criteria used to measure community need shall include, at a minimum, indicators of the extent of poverty in the community and the condition of physical structures. Each application, regardless of the program category for which it is being submitted, shall be scored competitively on the same community need criteria. In recognition of the benefits resulting from the receipt of grant funds, the Department shall provide for the reduction of community need scores for specified increments of grant funds provided to a local government since the state began using the most recent census data. In the year in which new census data are first used, no such reduction shall occur.

(c) The criteria used to measure the impact of an applicant's proposed activities shall include, at a minimum, indicators of the direct benefit received by persons of low income and persons of moderate income, the extent to which the problem identified is addressed by the proposed activities, and the extent to which resources other than the funds being applied for under this program are being used to carry out the proposed activities.

(d) Applications shall be scored competitively on program impact criteria that are uniquely tailored to the community development objective established in each program category. The criteria used to measure the direct benefit to persons of low income and persons of moderate income shall represent no less than 42 percent of the points assigned to the program impact factor. For the housing and neighborhood revitalization categories, the department shall also include the following criteria in the scoring of applications:

1. The proportion of very-low-income and low-income households served.
2. The degree to which improvements are related to the health and safety of the households served.

(4) An applicant for a neighborhood revitalization or commercial revitalization grant shall demonstrate that its activities are to be carried out in distinct service areas which are characterized by the existence of slums or blighted conditions, or by the concentration of persons of low or moderate income.

(5) In order to provide citizens with information concerning an applicant's proposed program before an application is submitted to the department, the applicant shall:

(a) Make available to the public information concerning the amounts of funds available for various activities and the range of activities that may be undertaken.

(b) Hold at least one public hearing to obtain the views of citizens on community development needs.

(c) Develop and publish a summary of the proposed application that will provide citizens with an opportunity to examine its contents and submit their comments.

(d) Consider any comments and views expressed by citizens on the proposed application and, if appropriate, modify the proposed application.

(e) Hold at least one public hearing in the jurisdiction within which the project is to be implemented to obtain the views of citizens on the final application prior to its submission to the department.

(6) The local government shall establish a citizen advisory task force composed of citizens in the jurisdiction in which the proposed project is to be implemented to provide input relative to all phases of the project process. The local government must obtain consent from the department for any other type of Citizen Participation Plan upon a showing that such plan is better suited to secure citizen participation for that locality.

(7) The Department shall, prior to approving an application for a grant, determine that the applicant has the administrative capacity to carry out the proposed activities and has performed satisfactorily in carrying out past activities funded by community development block grants. The evaluation of past performance shall take into account procedural aspects of previous grants as well as substantive results. If the Department determines that any applicant has failed to accomplish substantially the results it proposed in its last previously funded application, it may prohibit the applicant from receiving a grant or may penalize the applicant in the rating of the current application. No application for grant funds may be denied solely upon the basis of the past performance of the eligible applicant.

*History. – s. 6, ch. 83-205; s. 2, ch. 85-223; s. 37, ch. 88-201; s. 3, ch. 90-275; s. 220, ch. 2011-142.*

**Section 290.047, F.S., Establishment of grant ceilings and maximum administrative cost percentages; elimination of population bias; loans in default.**

(1) For all program categories, the department shall incorporate into its system of competitively ranking applications a procedure intended to eliminate or reduce any existing population-related bias that places exceptionally small communities at a disadvantage in the competition for funds. In no case may there be reserved specifically for exceptionally small communities a portion of the funds to be distributed. Instead, a procedure shall be established whereby the scores of exceptionally small communities are

compared to each other rather than to larger communities.

(2) The Department shall establish grant ceilings for each program category by rule.

(3) The maximum percentage of block grant funds that can be spent on administrative costs by an eligible local government shall be 15 percent for the housing program category, 8 percent for both the neighborhood and the commercial revitalization program categories, and 8 percent for the economic development program category. The purpose of the ceiling is to maximize the amount of block grant funds actually going toward the redevelopment of the area. The Department will continue to encourage eligible local governments to consider ways to limit the amount of block grant funds used for administrative costs, consistent with the need for prudent management and accountability in the use of public funds. This subsection shall not be construed, however, to prohibit eligible local governments from contributing their own funds or making in-kind contributions to cover administrative costs which exceed the prescribed ceilings, provided that all such contributions come from local government resources other than Community Development Block Grant funds.

(4) The Department shall develop by rule grant administration procurement procedures for eligible local governments. These procedures shall include, but not be limited to, the evaluation of an individual or business entity based upon past performance in the administration of community development block grants and based upon the type, number, and geographic distribution of grants to be administered.

(5) An eligible local government shall not contract with the same individual or business entity for more than one service to be performed in connection with a community development block grant, including, but not limited to, application preparation services, administration services, architectural services, engineering services, and construction services, unless it can be demonstrated by the eligible local government that such individual or business entity either is the sole source of the service or is the responsive proposer whose proposal is determined in writing as a result of a competitive process to be the most advantageous to the local government.

(6) The maximum percentage of block grant funds that may be spent on engineering costs by an eligible local government shall be in accordance with a schedule adopted by the Department by rule. Any such schedule so adopted shall be consistent with the schedule used by the United States Farmer's Home Administration as applied to projects in Florida or another comparable schedule as amended.

(7) Grant ceilings do not apply to the loan guarantee program authorized in s. [290.0455](#).

(8) If an applicant was the sponsor of an activity under the Small Cities Community Development Block Grant Loan Guarantee Program, and the loan for such activity is in default, thereby requiring the Department to reduce its annual grant award in order to pay the annual debt service on the applicant's loan, the Department shall reduce the grant ceiling available to such applicant in an amount equal to the amount of the state's grant award required to be used for the loan debt service.

*History.—s.7, ch.83-205; s.4, ch.85-223; s.38, ch.88-201; s.4, ch.90-275; s.46, ch.97-278; s.221, ch.2011-142.*

## Florida Administrative Code – CDBG

### 73C-23.0041 – Application Process and Administrative Requirements.

**(1) Funding Cycles and Subgrant Agreement Ceilings.** Unless otherwise directed by budgetary or administrative constraints, the Florida Department of Economic Opportunity shall annually initiate a funding cycle for the receipt and review of applications for Community Development Block Grant assistance from eligible units of local government.

(a) An annual application cycle will be announced for each federal award. The Department shall publish a Notice of Funding Availability (NOFA) which establishes a deadline date and time for submission of applications. The NOFA shall be published in the Florida Administrative Register at least 45 days in advance of the deadline.

(b) Subgrant ceilings establish limits on the amount of funds that may be requested in an application based on the most recently available U.S. Census of Population data. In the case of county government applicants, the population shall include only the unincorporated areas of the county.

(c) The local governments' LMI population determines the maximum amount of funds for which they can apply. Population groupings are based on HUD modified census figures summarizing low and moderate income population as the following chart shows:

#### LMI Population Subgrant Ceiling

1 – 499 - \$600,000	4,000 – 10,549 - \$750,000
500 – 1,249 - \$650,000	10,550 – and above - \$750,000
1,250 – 3,999 - \$700,000	

(d) Planning and Design Specifications subgrants shall not exceed \$70,000.

### **(2) Eligible Applicants.**

(a) Eligible local governments include those counties and municipalities in Florida that do not receive CDBG entitlement assistance from the U.S. Department of Housing and Urban Development (HUD). In the Small Cities CDBG Program, eligible local governments shall be referred to as “non-entitlement” local governments.

(b) Eligible local governments that have an open Housing, Neighborhood Revitalization, Commercial Revitalization, or Planning and Design Specifications subgrant shall not be eligible to apply for another Housing, Neighborhood, Commercial Revitalization, or Planning and Design Specifications subgrant until administrative closeout of their existing subgrant.

(c) Eligible local governments with an open Housing, Neighborhood Revitalization, Commercial Revitalization, or Planning and Design subgrant whose activities and expenditures are on schedule and on time may apply for an Economic Development subgrant.

(d) Eligible local governments with an open Economic Development subgrant whose

activities and expenditures are on schedule and on time as of the opening of the funding cycle can apply for a Housing, Neighborhood Revitalization, Commercial Revitalization, or Planning and Design subgrant.

(e) Eligible local governments with an open Economic Development subgrant whose activities and expenditures are on schedule and on time may receive no more than one additional Economic Development subgrant in each funding cycle.

(f) To be eligible to apply for a Housing, Neighborhood Revitalization, or Commercial Revitalization subgrant, a local government with an open but completed Housing, Neighborhood, Commercial Revitalization, or Planning and Design subgrant shall submit an administrative closeout which must be received by the Department no later than 5:00 p.m. (EST), on the day prior to the advertised opening of the application cycle. The Department will acknowledge a local government's closeout request by mailing an administrative closeout notification or a Notice of Outstanding Closeout Issues (NOCISS) letter.

1. The NOCISS letter shall identify issues that the local government must resolve before the Department's review of the closeout can be completed.

2. A local government's response to an NOCISS letter must be received by the Department at least ten days before the application deadline for the local government to retain eligibility for the funding cycle. For a NOCISS response received at least ten days prior to application deadline, eligibility will be retained if the response satisfies the deficiencies set forth in the NOCISS letter, regardless of whether the Department's closeout notification has been mailed before the application deadline date.

### **(3) Citizen Participation Requirements.**

(a) The applicant shall demonstrate that the citizen participation requirements required by this rule, Sections 104(a)(1) and (2) and 106(d)(5)(C) of Title I of the Housing and Community Development Act of 1974, and Section 290.046(5), F.S., with public notice provided in accordance with subsection 73C-23.0031(35), F.A.C., have been satisfied. Each applicant shall certify that it is following a Citizen Participation Plan pursuant to Section 104(a) (3) of Title I of the Housing and Community Development Act of 1974. The local government must inform and involve its citizens in the project planning and selection, and decision-making process regarding all CDBG-funded projects. These requirements are:

1. Public information is made available for various activities and the range of activities that may be undertaken;

2. At least one public hearing is held to obtain citizens' views regarding community development needs. This shall be known as the first public hearing. The public hearing must be advertised at least 5 days and no more than 20 days before the meeting;

3. At least one public hearing is held to obtain citizen views regarding the proposed project to be submitted for funding. A summary of the proposed application shall be published at least 5 days prior to and no more than 20 days before the hearing. The summary must provide citizens with an opportunity to examine the

application and submit their comments on the final application prior to its submission to the Department. The summary shall include, at a minimum, the proposed project description and anticipated location of the activities, what activities will be undertaken, and a specific CDBG amount for each activity. This shall be known as the second public hearing.

4. The applicant considers all comments and views expressed by citizens on the proposed application and, if appropriate, modifies the proposed application;

5. Both public hearings shall be given proper public notice as defined in subsection 73C-23.0031(35), F.A.C. The advertisement for the second public hearing on the application shall not occur until after the date of the first public hearing; and

6. All public hearings required to meet these citizen participation requirements must be conducted by a member of the governing body of the applying local government or by a duly authorized employee of that local government.

(b) The local government shall establish a Citizens Advisory Task Force (CATF) comprised of at least three residents of the jurisdiction, none of which shall be elected officials and no more than one employee of the local government. The purpose of the CATF shall be to provide input on all phases of the project process. The local government must obtain consent from the Department of Economic Opportunity for any other type of Citizen Participation Plan upon showing that its plan is better suited to secure citizen participation for that locality.

1. The Citizens Advisory Task Force shall conduct at least one public meeting to discuss the proposed application before the second public hearing notice is published.

2. The CATF shall provide recommendations to the local government for all aspects of the local CDBG program.

#### **(4) Application Preparation and Submission.**

(a) Application Preparation: During each funding cycle, eligible applicants can submit applications in the following categories:

1. Either Housing or Neighborhood Revitalization, but not both. If both are received from an applicant, only the first application logged in by the Department will be scored. The second application will be returned un-scored;

2. Commercial Revitalization; and

3. Economic Development;

(b) An applicant cannot receive more than one subgrant in any funding cycle from any of the following categories: Housing, Neighborhood Revitalization, or Commercial Revitalization, or Planning and Design.

(c) Application Forms. Application forms are in the application manuals, CDBG-A-1 Application for Funding, effective as of 6-6-10, hereby incorporated into this rule by reference, and which is available from the Department of Economic Opportunity at the address specified in the NOFA. CDBG-A-1 includes the individual applications for the different program categories of CDBG funding:

1. CDBG-H, Housing Application Manual;
2. CDBG-N, Neighborhood Revitalization Application Manual;
3. CDBG-C, Commercial Revitalization Application Manual; and
4. CDBG-E, Economic Development Application Manual;

(d) Administrative Costs.

1. Percentage Limitations. Applicants under the Housing category shall utilize no more than 15 percent of the total eligible subgrant amount for administrative costs. Applicants under the Economic Development, Neighborhood Revitalization and Commercial Revitalization categories shall utilize no more than 8 percent of the total eligible subgrant amount for administrative costs.
2. If administrative cost percentages set forth in Section 290.047, F.S., are exceeded in the application, the administrative costs shall be reduced prior to the offering of an award to bring the percentages into compliance based on the total eligible subgrant costs.

(e) Architectural and Engineering Costs. The maximum percentage of CDBG funds that may be spent on design architectural and engineering costs, excluding additional engineering services, shall be based on the total initial construction budget for eligible subgrant activities which require architecture and engineering and shall not exceed the Rural Development (RD) Rural Utility Service (RUS) fee schedule in Florida, incorporated herein by reference, RUS Bulletin 1780-9 (rev. 10/2009), hereby incorporated into this rule by reference. Engineering services during construction shall not exceed the Rural Development (RD) Rural Utility Service (RUS) fee schedule in Florida, incorporated by reference, RUS Bulletin 1780-9 (rev. 6/2007), hereby incorporated into this rule by reference.

1. If more than one design professional is needed for an activity or activities (i.e., a landscape architect in addition to an engineer for sidewalk construction in a commercial revitalization project), the local government shall not exceed the appropriate RD/RUS fee curve for each activity covered by each design professional negotiated separately.
2. For projects involving both Table I and II activities, engineering costs shall be pro-rated appropriately.
3. For each additional engineering service as defined in subsection 73C-23.0031(3), F.A.C., and for preliminary engineering, the local government shall negotiate a reasonable fee for the service following procurement procedures in 24 CFR 85.36, incorporated herein by reference, as effective on 6-6-10.
4. Preliminary engineering costs not to exceed one-half of one percent of the estimated construction cost may be paid with CDBG funds over and above the amounts included the RD/RUS fee schedule.
5. If "readiness to proceed" points are part of the final application score, then CDBG subgrant funds for engineering costs shall not include preliminary engineering and shall not exceed \$10,000 plus the percentage in the fee schedule for Table IA,

Table IIA, or a prorated amount of both tables for projects involving activities included in both tables. Also, CDBG funds shall not be used to fund any additional design or redesign costs, even if the “readiness to proceed” points are subsequently removed from the application after a subgrant award.

(f) Consistency with Local Comprehensive Plan.

1. The application shall include affirmations from all jurisdictions in which activities will take place that the proposed activities are not inconsistent with the applicable elements of the adopted local comprehensive plan.

2. If the Department determines that an application is inconsistent with the adopted local comprehensive plan, the applicant shall be advised of that determination in the completeness review letter. If after review of the applicant’s response the Department reaffirms its determination of inconsistency, the application shall be rejected.

(g) Application Submission. Applications shall be received by the Department in Tallahassee by 5:00 p.m. (EST), on the date specified in the NOFA. Applications not received by the specified deadline shall not be considered. Applicants must also meet intergovernmental coordination and review requirements as follows:

1. By the application deadline, 12 copies of the following information for Housing, Neighborhood Revitalization, Commercial Revitalization and Planning and Design Specifications applications shall be mailed to the Department of Environmental Protection, Florida State Clearing House, 3900 Commonwealth Boulevard, Mail Station 47, Tallahassee, Florida 32399-3000:

- a. Application Profile and Narrative;
- b. Sources and Uses of Non-CDBG Funds Information;
- c. CDBG Funds and Activity Goal Score Spreadsheet;
- d. All Maps; and
- e. If applicable, Historic Preservation Documents.

2. A transmittal letter, requesting that documents relating to the Clearing House review be sent to the local government and the CDBG Program, shall accompany the materials sent to the State Clearing House.

3. By the application deadline, one copy of the above materials shall be sent to the Regional Planning Council that serves the local government.

(h) Application Submission and Fund Reservation for Economic Development Projects.

1. Economic Development applications may be submitted when the annual funding cycle opens. Economic Development applications received by the application deadline will be scored, ranked and, if successful, awarded until all available funds are committed. Should initial application requests not exceed available funds, applications received after the application deadline will be reviewed and awarded on a first-come, first-served basis until all funds are committed.

2. These funds shall include the annual Economic Development allocation and may include any funds unawarded from previous cycles and deobligated funds from previous Economic Development subgrants, in accordance with the Annual Action Plan under the State of Florida Consolidated Plan submitted by the Department to the U.S. Department of Housing and Urban Development, as amended.
3. A local government may apply up to three times in an annual funding cycle.
4. A local government cannot submit an additional Economic Development application in an annual funding cycle until any previously submitted Economic Development application for that annual funding cycle has been rejected by the Department, has lost its funding reservation, or is withdrawn in writing by the Chief Elected Official or his or her designee.
5. Economic Development applications will be date stamped upon receipt by the Community Development Block Grant Section. The date stamp and time received by the Community Development Block Grant Section shall establish the date and time for fund reservation purposes. Date stamps from any other section of the Department shall not establish a funding reservation. Funds will be reserved in the order received by date and time.
6. Once the application is received, the local government will not be allowed to provide new documentation from a Participating Party to meet the initial Participating Party requirements in the application.
7. If sufficient funds are available to fully fund an application, that amount is reserved for the applicant upon receipt of the application. The application continues to have those funds reserved until a subgrant is executed or until there is a loss of fund reservation.
8. Should insufficient funds be available to fund or partially fund applications with a funding reservation, those applications shall retain a position in the funding reservation line and may be funded if additional funds are made available by additional allocations or by a loss of funding reservation by another applicant.
9. If partial funding is available, the Department will offer to partially fund an eligible application and will continue with the application review and scoring for partial funding. If the application remains eligible after review and scoring considering the partial funding available, the Department will offer to partially fund it. There is no guarantee of full funding in such an offer, but a partially funded subgrant will be considered first if additional funds become available. The local government has the option of declining a partially funded offer.
10. The review and offer of funding will then be made to the next eligible pending application. If there are no other applications pending or if the amount of the funds available is too small for reasonable consideration, the partial funds can be held until additional funds are available.

**(5) National Objective and Public Benefit Documentation.**

(a) Achievement of national objectives. An applicant shall demonstrate that each of the activities proposed in its application meets at least one of the following three national objectives and that at least 70 percent of the funds requested shall benefit low and moderate-income persons:

1. An activity shall be considered to benefit low and moderate income persons when it benefits low and moderate income persons as specified in 24 CFR s. 570.483(b), as effective on 6-6-10; or
2. Aid in the prevention or elimination of slums or blight as determined pursuant to 24 CFR s. 570.483(c), as effective on 6-6-10; or
3. Meet urgent community development needs where there is a serious and immediate threat to the health and welfare of the community, which are of recent origin or recently became urgent and where other financial resources are not available as determined pursuant to 24 CFR s. 570.483(d), as effective on 6-6-10.
4. Applications must demonstrate they meet the criteria specified in 24 CFR s. 570.483 for complying with a national objective and meeting public benefit standards and that they address community need as outlined in Sections 290.046(3)(a)-(d), F.S. Each annual action plan will identify which national objective(s) will be considered for funding.
5. An applicant for a Neighborhood Revitalization or Commercial Revitalization subgrant shall meet a national objective by demonstrating that its activities will be carried out in distinct service areas characterized by the existence of slums or blighted conditions, or by the concentration of persons of low or moderate income.

(b) Public Benefit Achievement. Determination of benefit to persons of low to moderate income is established through the following methods:

1. HUD Census Data – LMI benefit can be documented by using HUD-provided Census Data where the service area geographically corresponds with block groups, census tracts, or local government geographical limits. A jurisdiction-wide activity using census data rather than a survey to establish the national objective of benefit primarily to low and moderate income persons can score VLI points by calculating a percentage of VLI benefit using census data. VLI beneficiaries are calculated by totaling, for each block group in each census tract, the numbers shown in the PVLOW. The total of VLI beneficiaries is divided by the total beneficiaries (LOWMODUNIV) to establish the VLI percentage for scoring the appropriate VLI beneficiary points.
2. Random Sample Survey Methodology – A sample-based survey of the beneficiaries must use the “Household Income Verification Form,” included in the Application Manual, which must correspond with the random sampling requirements established by HUD in Notice CPD-05-06, issued on July 26, 2005, and incorporated herein by reference.

- a. The survey process must verify eligibility of any proposed direct benefit activities, certify the number of projected very low, low and moderate income

households and beneficiaries, and the total number of beneficiaries.

b. When the sample-based survey results appear to substantially overstate the proportion of persons with low or moderate income in a service area when compared to census data, the Department will require the local government to provide supporting evidence substantiating the survey data. If the survey results are found to be inaccurate, the application shall be rejected.

3. Small Service Area Survey Methodology. For surveys of service areas under 50 households, all households must be surveyed. Any non-responding household must be assumed to be above low and moderate income.

4. The number of household members for non-responding households shall be based on the average household size for all responding households.

5. A survey approved by the Department for a funded CDBG application remains valid for the same geographic service area for up to five years from the date the survey was completed.

6. Only the methods of LMI benefit determination provided for in this rule shall be used.

**(6) Beneficiaries of Public Improvements.**

(a) For activities where hookups or connections are required for beneficiary access to the CDBG-funded improvement, low and moderate income benefit shall be determined by the number of low and moderate income persons in households connected to and able to use the water, sewer or other infrastructure at the time of administrative closeout. The percentage of low and moderate income benefit shall be calculated by dividing the number of LMI persons connected to the CDBG-funded infrastructure by the total number of persons who could be connected to it.

(b) CDBG funded activities may not extend beyond the location of the last LMI beneficiary except where it is required for sound engineering, operation, or design reasons as certified by a licensed engineer.

(c) For activities where hookups or connections are required as a condition for beneficiary access to a CDBG funded public improvement, hookup or connection fees shall not be charged to very-low, low or moderate-income beneficiaries. Further, none of the project construction costs shall be charged to very-low, low or moderate income beneficiaries. All very low, low and moderate income beneficiaries in a Neighborhood Revitalization project service area with hookups as an activity shall be hooked up unless they, or the property owner in the case of rental property, provide written notice that they do not desire a hookup. If such written notice cannot be obtained, the household income survey form shall note such refusal to provide written notice.

(d) Where non-LMI beneficiaries will have to pay a one-time fee (i.e., assessment, impact fee, etc.) to connect to or access the CDBG funded public improvement, and where a periodic service fee (i.e., water bill, sewer bill, etc.) will be charged, the proposed non-LMI beneficiaries will be advised of the estimated cost of the one-time fee and all beneficiaries will be advised of the estimated amount of any periodic service fee. The

application narrative and budget must outline the estimated costs to be paid by non-LMI beneficiaries.

(e) Surveyed beneficiaries shall be advised of both fees in writing with signature acknowledgement of receipt and understanding prior to application submission. If census data is used, a random sample representing ten percent of the beneficiaries must be advised in writing with signature acknowledgement of receipt and understanding prior to application submission. If a household refuses to provide signature acknowledgement, the refusal shall be noted on the form.

(f) An applicant for an Economic Development project must meet a national objective through the creation or retention of jobs, of which fifty-one percent must be jobs for persons from low to moderate-income households and must provide a public benefit by creating or retaining a number of full time equivalent jobs that divided into the subgrant amount results in a cost per job of under \$35,000.

**(7) Interlocal Agreements for Applicants with Activities Outside Their Jurisdiction.**

(a) Prior to application submission, a written interlocal agreement shall be executed by all local governments in whose jurisdictions the CDBG activities will be undertaken. The interlocal agreement must authorize the applying local government to undertake the activities outside its jurisdiction, giving the concurrence of the other local government(s) with the activity and committing resources by one or both local governments, or some other entity which has provided written assurance, to maintain the activity. Such an interlocal agreement must be submitted with the application for funding.

(b) Each local government signing an interlocal agreement shall affirm that all activities, project areas, service areas, and job creation locations are not inconsistent with its comprehensive plan.

(c) The application shall contain excerpts of the comprehensive plans of all local governments in whose jurisdiction activities will take place. The excerpts must document that the activities, project areas, service areas, and job creation locations are not inconsistent with the local government's comprehensive land use plan.

(d) An eligible applicant's activities can extend beyond its jurisdiction, provided the areas outside its jurisdiction are eligible. The applicant must have legal authority to provide such services or undertake such activities and be supported by a signed interlocal agreement executed by both eligible local governments. Except for Economic Development projects, no more than 25 percent of the service area beneficiaries may reside outside the applicant's jurisdiction unless all CDBG funded work is taking place within the applicant's jurisdiction or on property owned by the applicant. When all work will take place within the applicant's jurisdiction or on property owned by the applicant, up to 50 percent of the beneficiaries may reside outside the applicant's jurisdiction.

(e) Pursuant to 24 CFR s. 570.486(b), as effective on 6-6-10, an eligible individual applicant may apply to undertake a portion of an eligible Neighborhood Revitalization activity in an otherwise eligible location outside its jurisdiction or service area, if it can provide written documentation that the activity is required by an engineer or by a state or

federal agency having regulatory authority over the activities. Any benefit to persons outside the jurisdiction or service area must not be a Direct Benefit and may only be incidental to the like activity undertaken within the jurisdiction or service area. Indirect benefit to persons outside the jurisdiction or service area shall not be used to establish activity eligibility for scoring purposes. All service area residents shall reside within the jurisdiction of the local government submitting the individual application.

(f) An eligible individual applicant can apply to undertake Economic Development infrastructure activity outside its jurisdiction, if it can provide written documentation that the infrastructure activities outside its jurisdiction are necessary to meet the needs of a job-creating Participating Party, pursuant to Section 290.046(2) (b), F.S.

1. The job creation location shall either be within the jurisdiction of the applying local government connecting to infrastructure outside its jurisdiction owned and operated by another public or private entity, or
2. The job creation location shall be outside the jurisdiction of the applying local government if that local government owns the necessary infrastructure (treatment, production, or storage) to be connected to the job creation location on behalf of the Participating Party.
3. In either case, liability for CDBG performance and compliance with all applicable rules and regulations rests with the applying local government.

**(8) Application Reviews.**

- (a) The Department will complete a threshold review to determine that the local government, the application, and all proposed activities are eligible.
- (b) The Department will undertake a completeness review to determine that the application is mathematically correct and contains all required documentation. This review will generate a list of issues to be addressed at site visit.
- (c) Except for the Community-Wide Needs Score, any scoring item left blank will be scored as zero. This zero score cannot be changed as a result of site visit or because of information elsewhere in the application.

**(9) Application Site Visits and Completeness Letters.**

- (a) Site visits shall be conducted by the Department prior to publication of the application rankings in the fundable range. For Economic Development projects, any Participating Party must be available during the site visit(s), or the Participating Party must come to Tallahassee to meet with Department staff within 30 days after the site visit(s). Should a Participating Party fail to meet one of the two conditions, the application must be withdrawn by the local government or the application will lose its funding reservation.
- (b) The Department shall notify the Chief Elected Official in writing of the date and approximate time the site visit will take place.
- (c) The Department shall examine all documents that have been certified to in the application.

(d) Except as otherwise provided for in Economic Development applications, after the site visit, the Department shall request in writing all documentation found to be unavailable or inadequate. Applicants shall have 21 days from the date that the request is received to provide the requested information to the Department. Responses to completeness letters must be transmitted by the applicant and received by the deadline established by the Department.

(e) Additional Completeness Review Items for Neighborhood Revitalization Applications. During the completeness review period, the Department shall review applications that propose land assembly or site preparation for new housing construction for low and moderate income persons to determine whether documentation is provided to show:

1. Firm commitments for construction from the developer,
2. Documentation of ownership, or
3. An option on the land to control the sale to or ensure use by low and moderate income persons, and
4. Documentation that the proposed site is properly zoned.

(f) If the requested material is not received by 5:00 p.m. (EST), on the 21st day in the Community Development Block Grant Section at the address specified in the application manual, or if at the end of the completeness period, material is found to be incomplete or not in compliance, the following points shall be deducted from the applicant's total score:

1. Required Maps with information specified in the completeness letter – 250 points.
2. Interlocal Agreement, if applicable – 250 points.
3. In the Housing category, selection criteria for beneficiaries or a complete list of beneficiaries selected – 250 points.
4. Any scoring points associated with issues in the completeness letter for which additional documentation was requested.

(g) Completeness Review Items for Economic Development Applications. Completeness Issues found during application review, which requires a response, are included in the Notice of Upcoming Site Visit letter. Following the site visit, the Department will mail to the local government an award and offer to contract letter and a subgrant agreement, including any necessary special conditions, for execution by the local government.

1. If additional issues are generated during the site visit, a list of additional questions or requests for information will be included with the award and offer to contract letter and the subgrant agreement if they have not been resolved prior to that time.
2. Within 60 calendar days of the local government's receipt of the award and offer to contract letter (the 60 day period), the Department must receive from the applying local government the information required in the Award and Offer to Contract Documentation section of the Application, any additional required documentation referenced in the award and offer to contract letter, and a signed subgrant agreement ready for the Department's execution.

3. The signed subgrant and all required documentation in subparagraph (9) (g) 2, above must be received by the Department on or before 5:00 p.m. (EST), of the 60th day. The day the award and offer to contract letter is received by the local government shall not be included in the sixty-day completeness period. Facsimile or electronic submissions are acceptable to meet the requirements of the 60 day period.
4. If all program requirements have been met, the Department will execute the subgrant and return a signed copy of it to the local government.
5. If CDBG Economic Development funds are unavailable, the eligible applications will be held in the order of their funding reservation as established in this section should additional funds become available.

**(10) Application Scoring.** Once an application is submitted to the Department, no aspect of the application may be revised to improve the score or broaden the scope of the project.

(a) The maximum score possible in each category is 1,000 points. These points shall be divided among three program factors as specified below.

Small Cities CDBG Application Scoring	
Community-wide needs	250 points
Program Impact	650 points
Outstanding performance in equal opportunity employment and fair housing	100 points
Total points	1,000 points

(b) Community-Wide Need Scores (CWNS) for All Categories. The Department shall calculate the community-wide needs score from the most recent and uniformly available Federal and State data for all jurisdictions eligible to apply. Current decennial U.S. Census data shall be used unless otherwise noted. Data shall be further defined as:

1. For municipal government applicants, the data relevant for the entire incorporated area shall be used;
2. For county government applicants, the data relevant for only the unincorporated areas within the county shall be used;
3. For municipalities incorporated since the most recent census, the block group or census tract data for the area that was incorporated shall be used where available; otherwise a proportion of the county's census data shall be used to calculate the community-wide needs score.
4. Factors. Three factors shall be used to determine the community-wide needs score with the following maximum points available for each:
  - a. Number of persons below poverty – 125 points
  - b. Number of year-round housing units with 1.01 or more persons per room – 62.5 points; and
  - c. Number of persons in the low and moderate income population according to the latest HUD census – 62.5 points.

5. Method of Calculation.

- a. Prior to calculating actual CWN scores, the Department prepares a spreadsheet that reflects the above information (numbers of persons below poverty, 1.01+ housing units and LMI population) for each eligible applicant. Eligible local governments are then compared by the three factors identified above.

Eligible applicants are compared by these factors with all other applicants in their population group:

LMI Population:

1 – 499	4,000 – 10,549
500 – 1,249	10,550 and above
1, 250 – 3,999	

Population groupings are based on HUD modified census figures summarizing low and moderate income population.

Calculating each applicant’s score includes the following steps:

The highest statistic in each population group for each factor is the basis for relative comparison of all other eligible local governments in the population group. For each eligible local government, the percentage calculated is then multiplied by the maximum number of points available for that particular factor. The score for factors are summed for each eligible local government to determine the community-wide needs score.

- b. For each eligible local government, the percentage calculated shall then be multiplied by the maximum number of points available for that particular factor.

Percent x Maximum points available = score for eligible local government on factor

- c. The Community-Wide Needs Score factors shall be summed for each eligible local government for the overall Community-Wide Needs Score. Pursuant to Section 290.046(3) (b), F.S., each local government awarded subgrant funds shall have its community-wide needs score reduced by 5 points for every \$100,000, or fraction thereof, of contracted funding. If \$100,000 or more in funding is deobligated at the time the administrative closeout is approved by the Department, the score will be adjusted and the CWNS increased accordingly. This adjustment shall not be made during the first application cycle in which the most recent census data is used. All adjustments for subgrant funds received shall be based on subgrants received in all application cycles after the most recent census data was first used. This calculation shall be based on all funds contracted as of the end of the month prior to the opening date of the application cycle. The adjusted community-wide needs score cannot be less than zero. No deduction to CWNS shall be made for Emergency Set-Aside subgrants.

- d. Further point breakdowns for Program Impact, Equal Opportunity and Fair Housing are found in the rule section pertaining to individual program categories or in the application manual for each category.
- e. Applications with scores in the fundable range following appeals and that meet all other requirements contained herein shall be awarded funds for eligible activities.
- f. In the event that two or more applications receive an equal final score, the application addressing the highest state priority goal as reflected by the goal points for application activities shall receive first consideration. If a tie still exists, then the applicant with the highest community-wide needs score shall receive first consideration.
- g. The Department shall offer an applicant scoring within the fundable range an amount less than that requested in the application when insufficient funds are available to fund the total subgrant request or if ineligible activities are proposed in the application.
- h. Leverage. For leverage scoring purposes, only leveraged funds expended after the date of site visit and prior to the date of submission of the administrative closeout shall be counted.
- i. Penalty Points for Past Performance. A penalty shall be assessed against future subgrant applications based on prior contractual performance on subgrant agreements, including those subgrants which have submitted an administrative closeout prior to application deadline. This penalty will apply regardless of whether the subgrant has been amended to permit the reduction in accomplishments. If the subgrant is terminated with no expenditures or is terminated with expenditures for administration and/or engineering only, no penalty shall be assessed. This penalty expires two years from the date of administrative closeout. The Department will waive these penalties if the local government is unable to meet subgrant requirements due solely to a state or federally declared natural disaster or emergency. Penalties will include:
  - 1. A penalty of five points per housing unit up to a maximum of 50 points for failure to rehabilitate or address the original number of housing units scored in the original application in the Housing category.
  - 2. A penalty of five points per low and moderate income household not served or business facade not addressed as geographically displayed on the original application maps (as modified, if necessary, during the completeness process) in the Neighborhood Revitalization or the Commercial Revitalization categories up to a maximum of 50 points. All direct benefit proposed in the application (i.e., water hookups) must be completed to avoid this penalty per house or facade. No penalty shall be assessed for failure to provide a water or sewer hookup if the hookup is

not possible because the home is vacant or became damaged or destroyed after application submission, the homeowner refused the hookup or became non-LMI after the survey, and there are no other homes in the service area identified in the application as unmet need which can qualify for a hookup to replace any home not hooked up.

**(11) Application Rejection and Loss of Funding Reservation Criteria.** Applications that do not meet the following minimum requirements as outlined in Section 290.0475, F.S. shall be rejected without scoring:

- (a) The application is not received by the Department by the application deadline.
- (b) The proposed project does not meet one of three national objectives as contained in federal or state legislation;
- (c) The application is not consistent with the local government's comprehensive plan adopted pursuant to Section 163.3184(7), F.S.;
- (d) The proposed project is not an eligible activity as contained in the federal legislation;
- (e) The applicant has an open Community Development Block Grant, except as provided in Section 290.046(2) (c), F.S.
- (f) The local government is not in compliance with the citizen participation requirements required by s. 104(a)(1) and (2) and 106(d)(5)(c) of Title I of the Housing and Community Development Act of 1984 and department rule.
- (g) Misrepresentation. The eligibility and scoring of the application is subject to the truth and accuracy of all information, representations, and materials submitted or provided by the applicant in the application, in any subsequent submission or in any response to fulfill the application requirements. The lack of accuracy thereof or any material changes which would materially change the scoring of the application or the subgrantee's eligibility shall cause the application to be rejected for eligibility or scoring.
- (h) The survey results are inaccurate or cannot be substantiated.
- (i) Loss of Fund Reservation for Economic Development Applications: An Economic Development application shall lose its fund reservation if:
  - 1. An applicant is not eligible.
  - 2. An activity is found to be ineligible. If an activity is found to be ineligible, the funding reservation will be reduced by the budgeted amount for that activity and any related engineering and administration.
  - 3. The application is missing an initially required item that is specified in the Documentation Requirements section of the application.
  - 4. The local government withdraws the application in a letter signed by the Chief Elected Official.
  - 5. Prior to the end of the site visit, the local government fails to provide documentation requested in the Notice of Pending Site Visit letter.

6. The Department does not receive the required documentation and the subgrant signed by the Chief Elected Official or his or her designee within 60 days of the applying local government's receipt of the award and offer to contract letter. If the local government submits the required documentation and signed subgrant after the 60-day period has expired and unreserved funds are available, the date that the subgrant and all required documents are received by the Department becomes the new fund reservation date. If the documentation is adequate and unreserved funds are available to fund the application, a subgrant will be executed by the Department.

7. A Participating Party withdraws prior to the execution of the subgrant by the Department, unless the subgrant remains within the fundable range with the remaining Participating Parties. Increasing the job creation numbers or leverage of the remaining Participating Parties beyond that referenced in the application shall not be allowed. Replacement of Participating Parties shall not be allowed without withdrawal and resubmission of the application.

*Rulemaking Authority 290.048 FS. Law Implemented 290.044, 290.046, 290.047, 290.0475 FS. History—New 5-23-06, Amended 2-26-07, 6-6-10, Formerly 9B-43.0041.*

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## **Application Review and Award**

When the cycle closes, the Small Cities planning manager enters all of the application self-scores into a spreadsheet by category, along with the available funding for each category. (At this time, there normally is only Neighborhood Revitalization, Housing Rehabilitation and Commercial Revitalization application scores to input. There is a written procedure for how applications are reviewed.) The planning manager also inputs any penalty points that the applicants earned for submitting audit reports late or not meeting performance requirements. The applications are then sorted by score to determine which are in the fundable range. All applications receive a threshold review, which includes a check to determine if the applicants added their scores correctly. All of the applications that are in the fundable range in each category receive a completeness review. The planning manager also identifies a number of the highest scoring applications outside the fundable range in each category to receive a completeness review. (A minimum of 10 percent of the remaining applications in each category are selected.) The completeness review checks all of the documentation included with the application to determine if the applicants were entitled to the scores that they entered on their respective applications. The reviewers also check to make sure that the applicants complied with the citizen participation requirements of the applications process. If applications are rejected for cause or lose sufficient points to drop them out of the fundable range, the planning manager can select additional applications for completeness reviews.

When all application reviews are completed, the planning manager adjusts the application scores, as needed. The grant managers then schedule site visits to all applicants whose applications received a completeness review and were not rejected or had their scores drop below applications that received only a threshold review. At the site visits, the grant managers review documentation that was not included in the application, including household income surveys, Community Advisor Task Force meeting minutes, and local policies. A tour of the service area(s) is also made, and the grant managers check to see if survey data matches the buildings in the area.

If any documentation is still missing after the site visit, the grant managers prepare letters to the applicants detailing what information is still needed. The applicants have 21 days following the receipt of the letter to respond. Following the site visits and the receipt of responses from the applicants, the grant managers make any needed adjustments to the application scores and provide the revised scores to the planning manager. The revised scores are added to the spreadsheet, and a final ranking of applications is determined. The planning manager then announces which applications are in the fundable range and will be awarded. Subgrant contracts are prepared and mailed to the respective local governments. A copy of the rankings is posted on the Department website for everyone to view.

## **Section 108 Loans**

The Small Cities CDBG Program is required by Florida Statute to submit any Section 108 loan application that it receives to HUD provided the activity is eligible for funding and the application has been determined to be financially feasible by a loan underwriter. The review of Section 108 applications is governed by guidelines contained in Florida Statute and Florida Administrative Code.

### **Florida Statutes – Section 108 Program**

#### **290.0455 Small Cities Community Development Block Grant Loan Guarantee Program.**

- (1) The Small Cities Community Development Block Grant Loan Guarantee Program is created. The Department shall administer the loan guarantee program pursuant to Section 108 of Title I of the Housing and Community Development Act of 1974, as amended, and as further amended by s. 910 of the Cranston-Gonzalez National Affordable Housing Act. The purpose of the Small Cities Community Development Block Grant Loan Guarantee Program is to guarantee, or to make commitments to guarantee, notes or other obligations issued by public entities for the purposes of financing activities enumerated in 24 C.F.R. s. 570.703.
- (2) Activities assisted under the loan guarantee program must meet the requirements contained in 24 C.F.R. ss. 570.700-570.710 and may not otherwise be financed in whole or in part from the Florida Small Cities Community Development Block Grant Program.
- (3) The Department may pledge existing revenues on deposit or future revenues projected to be available for deposit in the Florida Small Cities Community Development Block Grant Program in order to guarantee the payment of principal and interest on a Section 108 loan.
- (4) An applicant approved by the United States Department of Housing and Urban Development to receive a Section 108 loan shall enter into an agreement with the Department of Economic Opportunity which requires the applicant to pledge half of the amount necessary to guarantee the loan in the event of default.
- (5) The Department shall review all Section 108 loan applications that it receives from local governments. The Department shall review applications in the order received, subject to a determination by the Department that each application meets all eligibility requirements contained in 24 C.F.R. ss. 570.700-570.710 and has been deemed financially feasible by a loan underwriter approved by the Department. If the statewide maximum available for loan guarantee commitments established in subsection (6) has not been committed, the Department may submit the Section 108 loan application to the United States Department of Housing and Urban Development with a recommendation that the loan be approved, with or without conditions, or be denied.
- (6) The maximum amount of an individual loan guarantee commitment that an eligible local government may receive is limited to \$5 million and the maximum amount of loan guarantee commitments statewide may not exceed an amount equal to two times the

amount of the most recent grant received by the Department under the Florida Small Cities Community Development Block Grant Program. The \$5 million loan guarantee limit does not apply to loans guaranteed prior to July 1, 2013, that may be refinanced.

(7) Section 108 loans guaranteed by the Small Cities Community Development Block Grant Program must be repaid within 20 years.

(8) Section 108 loan applicants must demonstrate to the Department that the applicant investigated alternative financing services and the services were unavailable or insufficient to meet the financing needs of the proposed activity.

(9) If a local government defaults on a Section 108 loan received from the United States Department of Housing and Urban Development and guaranteed through the Florida Small Cities Community Development Block Grant Program, thereby requiring the Department to reduce its annual grant award in order to pay the annual debt service on the loan, any future community development block grants that the local government receives must be reduced in an amount equal to the amount of the state's grant award used in payment of debt service on the loan.

(10) if a local government receives a Section 108 loan guaranteed through the Florida Small Cities Community Development Block Grant Program and is granted entitlement community status as defined in subpart D of 24 C.F.R. part 570 by the United States Department of Housing and Urban Development before paying the loan in full, the local government must pledge its community development block grant entitlement allocation as a guarantee of its previous loan and request that the United States Department of Housing and Urban Development release the Department as a guarantor of the loan.

*History. – s. 45, ch. 97-278. s. 38, ch. 97-278, Laws of Florida*

## **Florida Administrative Code – Section 108**

### **73C-23.0071 Section 108 Loan Guarantee Program.**

#### **(1) Application Process.**

(a) Projects which propose loans to a third party or parties shall include letters of commitment from all funding sources evidencing sufficient funds to complete the project. For economic development projects, these commitments shall include at a minimum those stated in the Economic Development section of the Florida Small Cities CDBG Application Manual under “Initial Participating Party Commitments.”

(b) Following the receipt of a formal invitation to submit an application, the local government (Applicant/Borrower) shall have a third party conduct and complete a detailed underwriting analysis in accordance with 24 CFR s. 570.482(e)(2) and Appendix A of 24 CFR Part 570. The Department may, as necessary, require additional underwriting standards, criteria or review.

(c) The Department shall retain the right of approval of the third party underwriter, the method of analysis and adherence to the guidelines in 24 CFR s. 570.482(e)(2) and

Appendix A.

(d) The local government shall submit the underwriting analysis with the final application package. The Department reserves the right to require additional information from the local government, the underwriter and/or the third party to whom a loan is proposed. Once a financial underwriting analysis and other required documentation has been provided by the local government, any material change, including changes in corporate or ownership structure, which affects the underlying assumptions upon which the local government relied will require that the underwriting analysis be re-evaluated by the local government and any assistance requested for the Participating Party must be adjusted if a material change has occurred.

**(2) Site Visit and Contracting Period.**

(a) The Department will conduct a site visit following review and acceptance of the final application package. For projects which propose loans to a third party or parties, a representative of the third party(ies) shall attend the site visit or must meet with Department staff within 30 days after the site visit at the Department of Economic Opportunity.

(b) The local government shall submit a fully executed Participating Party Agreement meeting the requirements set out in the Economic Development section of the Florida Small Cities CDBG Application Manual.

**(3) Administration and Reporting.**

(a) The local government shall copy the Department on all written correspondence with HUD, the underwriter, the Participating Party and all other involved parties.

(b) The local government shall at a minimum provide the Department with quarterly progress reports until such time as the project is administratively closed. This report shall include documentation in a form acceptable to the Department of the project's draws and repayments, accomplishments to date and updates on previous areas of concern as determined by the Department.

*Rulemaking Authority 290.048 FS. Law Implemented 290.0455 FS. History—New 5-23-06, Amended 6-6-10, Formerly 9B-43.0071.*

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## APPENDIX 6

### COMMUNITY DEVELOPMENT NEEDS

Although not all eligible local governments with community development needs are eligible to apply within a given fiscal year, the dollar value of the unfunded applications indicate that the need for grant funding for neighborhood revitalization, commercial revitalization, economic development and housing rehabilitation far exceeds the level of funding authorized each year. The chart below, taken from the Consolidated Plan, indicates that current year goals are consisted with the priorities that have been set by the Florida Small Cities CDBG Program.

Community Development Needs	Need Priority	Funding Needed	Anticipated Number of Projects to Be Funded 2011-15	Goal for 2013 Funds
Public Facilities				
Senior Centers	Low	\$11,425,000		
Youth Centers	Low	\$7,300,000		
Community Centers/Neighborhood Facilities	Moderate	\$14,550,000	3	1
Child Care Centers	Low	\$1,450,000		
Adult Day Care Centers	Low	\$2,200,000		
Parks and/or Recreation Facilities	Moderate	\$28,550,000	5	1
LMI Health Facilities (Medical and Nonmedical) <sup>1</sup>	Low	\$63,000,000		
Parking Facilities	Low	\$7,285,000		
Homeless Facilities/Shelters	Low	\$5,740,000		
Other Public Facilities (Police and Fire Stations, Jail, Emergency Shelters, Treatment Plant, City Halls <sup>2</sup> )	Moderate	\$50,600,000	5	1
Infrastructure Improvements				
Solid Waste Disposal Improvements	Moderate	\$50,900,000		
Flood & Drainage Improvements/Stormwater	High	\$54,550,000	10	2
Removal of Architectural Barriers	Low	\$1,550,000		
Street Improvements/Road Paving	High	\$126,325,000	20	4
Sidewalk Improvements <sup>3</sup>	Moderate	\$23,550,000		
Sewer Line Improvements	High	\$59,978,000	20	4
Sewage Treatment Plant <sup>4</sup>	Moderate	\$62,560,000	7	2
Sewer/Water Hookups	High	\$15,050,000	5	1
Water Line Improvements	High	\$43,234,500	20	4
Water Tank/Treatment/Wells	High	\$21,700,000	10	2
Fire Hydrants/Protection <sup>5</sup>	Moderate	\$8,900,000		
Economic Development				

Commercial-Industrial Rehabilitation	High	\$23,375,000	15	3
Commercial-Industrial Infrastructure	Moderate	\$17,885,000	25	5
Other Commercial-Industrial Improvements	Moderate	\$4,350,000		
Job Creation <sup>6</sup>	High	\$12,150,000		
Planning/Technical Assistance				
Engineering for Sewer/Water Projects	High	\$15,875,800	6	2
Engineering for Sidewalk, Street, and Drainage Projects	High	\$9,885,000	4	1
Technical Assistance	Moderate	\$2,940,000		
Total Funding Need/Estimated Projects to be Funded		\$746,858,300	155	

*Over 250 local governments and their consultants were e-mailed survey forms requesting information to be used in identifying future CDBG funding needs. Only 30 responses - about 12% of surveys e-mailed - were received. Those responses were used to develop this table.*

1. One community identified the need for a \$60,000,000 LMI hospital facility.
2. Some of the facilities that communities listed under "Other Public Facilities" are either not eligible for CDBG funds or are infrastructure projects covered in another part of the survey.
3. Sidewalk improvements are normally included in projects for street improvements or commercial-industrial rehabilitation.
4. One community identified the need for a \$40,000,000 wastewater treatment facility.
5. Fire hydrants normally funded as part of a water line improvement project.
6. Job creation is included in the proposed projects for Commercial-Industrial Infrastructure.

*Note: The Florida Small Cities CDBG Program does not fund public assistance services.*

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## APPENDIX 7

### ADDITIONAL CDBG FUNDING: DISASTER RECOVERY AND NEIGHBORHOOD STABILIZATION

#### 2005 Disaster Recovery Initiative

The Department of Defense Appropriations Act (Public Law 109–148, approved December 30, 2005) or Appropriations Act appropriated \$11.5 billion in CDBG funds for expenses related to disaster relief, long-term recovery, and restoration of infrastructure directly related to the consequences of Hurricanes Wilma and Katrina. Florida received \$82,904,000.

The following local governments received a disaster recovery award from the 2005 allocation:

<b>County</b>	<b>Award</b>
Broward County	\$22,163,887.00
Collier County	\$2,339,882.00
Glades County	\$1,364,931.00
Hendry County	\$6,767,785.00
Key West	\$7,531,497.00
Lee County	\$1,364,931.00
Martin County	\$1,689,915.00
Miami-Dade County	\$16,119,191.00
Okeechobee County	\$1,535,548.00
Palm Beach County	\$19,035,920.00
St. Lucie County	\$1,332,433.00

The Department reports to HUD on a quarterly basis using the Disaster Recovery Grant Reporting System (DRGR).

#### 2005 Disaster Recovery Initiative Supplement

The Department of Defense Appropriations Act (Public Law 109–234, effective June 15, 2006) provided \$5.2 billion in additional CDBG funds for expenses related to disaster relief, long-term recovery, and restoration of infrastructure directly related to the consequences of Hurricanes Wilma and Katrina. Florida received \$100,066,518.00. As with the previous funding, the Department’s Emergency Rule and Action Plan governing the disaster recovery funds were implemented in a manner that allowed the areas hit hardest by the storms to receive the funding. The Action Plan requires that the majority of the funds be expended for housing recovery activities.

As of June 30, 2010, the following local governments and public housing authorities had been awarded funding:

<b>County</b>	<b>Award</b>
Brevard	\$677,198.25
Broward	\$21,438,390.26

City of Key West	\$11,262,772.00
Collier	\$2,814,698.15
Glades	\$128,947.37
Hendry	\$418,572.93
Indian River	\$176,869.25
Lee	\$367,103.84
Martin	\$1,178,279.79
Miami-Dade	\$24,993,610.00
Okeechobee	\$238,615.61
Palm Beach	\$19,568,569.00
St. Lucie	\$4,501,561.79
<b>Total County Awards</b>	<b>\$87,765,188.24</b>

<b>Public Housing Authorities</b>	<b>Award</b>
Boca Raton Housing Authority	\$329,659.88
Broward County Housing Authority	\$718,834.00
Deerfield Beach Housing Authority	\$646,956.05
Fort Myers Housing Authority	\$750,000.00
Fort Lauderdale Housing Authority	\$750,000.00
Fort Pierce Housing Authority	\$750,000.00
Hialeah Housing Authority	\$693,253.32
Hollywood Housing Authority	\$397,795.75
Key West Housing Authority	\$750,000.00
Lakeland Housing Authority	\$669,398.00
Miami Beach Housing Authority	\$750,000.00
Pahokee Housing Authority	\$750,000.00
Palm Beach County Housing Authority	\$749,958.00
Sarasota Housing Authority	\$195,040.00
Titusville Housing Authority	\$651,105.00
West Palm Beach Housing Authority	\$748,000.00
<b>Total PHA Awards</b>	<b>\$10,300,000.00</b>

### **2008 Disaster Recovery Initiative**

Community Development Block Grant disaster relief funding was made available to Florida by the United States Department of Housing and Urban Development, under Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et. seq.) for federally declared natural disasters that occurred during 2008. Congress allocated the funding to assist in recovery from federally declared natural disasters that occurred during 2008 (Tropical Storm Fay, Hurricanes Gustav and Ike). Florida received \$81,063,855 for affected communities. In addition to the original award, Florida received \$26,616,675 in Disaster Recovery Enhancement Funds (DREF).

As of April 1, 2013, the following local governments had been awarded funding:

<b>Local Government</b>	<b>Original Award</b>	<b>DREF Award</b>	<b>Total Funding Amount</b>
Alachua	\$475,822.00	\$0.00	\$475,822.00
Baker	\$395,781.00	\$0.00	\$395,781.00
Bay	\$1,247,047.00	\$442,955.93	\$1,690,002.93
Brevard	\$6,546,571.00	\$2,201,431.48	\$8,748,002.48
Broward	\$764,301.00	\$0.00	\$764,301.00
Calhoun	\$500,395.00	\$195,203.62	\$695,598.62
Clay	\$201,135.00	\$95,903.87	\$297,038.87
Collier	\$9,963,208.00	\$3,335,131.91	\$13,298,339.91
Duval	\$5,127,617.00	\$1,730,597.51	\$6,858,214.51
Escambia	\$7,067,397.00	\$2,374,250.74	\$9,441,647.74
Flagler	\$870,468.00	\$318,000.37	\$1,188,468.37
Franklin	\$299,946.00	\$128,691.11	\$428,637.11
Gadsden	\$241,865.00	\$109,418.80	\$351,283.80
Glades	\$200,924.00	\$95,833.86	\$296,757.86
Gulf	\$2,536,175.00	\$870,711.34	\$3,406,886.34
Hardee	\$633,220.00	\$239,277.30	\$872,497.30
Hendry	\$272,474.00	\$119,575.41	\$392,049.41
Highlands	\$202,043.00	\$96,205.16	\$298,248.16
Jefferson	\$197,111.00	\$0.00	\$197,111.00
Kissimmee	\$242,305.00	\$109,564.80	\$351,869.80
Lake	\$283,235.00	\$123,146.10	\$406,381.10
Leon	\$10,179,231.00	\$3,406,812.16	\$13,586,043.16
Martin	\$677,990.00	\$254,132.77	\$932,122.77
Miami-Dade	\$504,968.00	\$196,721.02	\$701,689.02
Monroe	\$2,488,962.00	\$855,045.23	\$3,344,007.23
Nassau	\$670,133.00	\$251,525.68	\$921,658.68
Okaloosa	\$674,345.00	\$252,923.30	\$927,268.30
Okeechobee	\$470,595.00	\$185,315.45	\$655,910.45
Palm Beach	\$6,533,405.00	\$2,197,062.77	\$8,730,467.77
Putnam	\$1,199,185.00	\$427,074.47	\$1,626,259.47
Santa Rosa	\$579,895.00	\$221,583.12	\$801,478.12
Sarasota	\$2,353,794.00	\$810,194.11	\$3,163,988.11
Seminole	\$432,350.00	\$0.00	\$432,350.00
St. Johns	\$1,300,328.00	\$460,635.50	\$1,760,963.50
St. Lucie	\$8,058,428.00	\$2,703,092.31	\$10,761,520.31
Volusia	\$4,172,917.00	\$1,413,811.21	\$5,586,728.21
Wakulla	\$459,251.00	\$0.00	\$459,251.00
	<b>\$79,024,817.00</b>	<b>\$26,221,828.42</b>	<b>\$105,246,645.42</b>

### Neighborhood Stabilization Program 1

In October 2008, the state of Florida received \$91.14 million from HUD for the Neighborhood Stabilization Program (NSP). These funds were awarded under the Housing and Economic Recovery Act of 2008. In passing the Act, Congress mandated that the NSP funding be used to address foreclosed and abandoned properties. Eligible activities include acquisition and rehabilitation of foreclosed or abandoned houses, sale and lease of the housing, and land banking of properties to be developed into affordable housing at a later date.

<b>Grantee</b>	<b>Award</b>
Alachua County	\$2,929,238.00
Bay County	\$2,523,747.00
Bradenton	\$2,576,267.00
Charlotte County	\$4,287,057.00
Citrus County	\$2,994,625.00
Clay County	\$3,638,523.00
Davie	\$2,316,292.00
Daytona Beach	\$2,557,634.00
Delray Beach	\$1,905,005.00
Fort Pierce	\$2,085,396.00
Hernando County	\$5,644,384.00
Indian River County	\$4,680,825.00
Martin County	\$3,537,463.00
Melbourne	\$1,920,191.00
Miami Beach	\$9,305,268.00
Ocala	\$805,508.00
Okaloosa County	\$3,258,435.00
Osceola County	\$14,091,818.00
Palm Coast	\$2,664,903.00
Santa Rosa County	\$2,365,403.00
St. Johns County	\$2,489,443.00
St. Lucie County	\$3,984,601.00
Tallahassee	\$3,365,670.00
Titusville	\$2,113,781.00
State Admin/TA	\$3,100,000.00
<b>Total Award</b>	<b>\$91,141,477.00</b>

### **Neighborhood Stabilization Program 3**

The Neighborhood Stabilization Program 3 (NSP3) is authorized under Section 1497 of the Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) of 2010. NSP3 funds in the amount of \$8,511,111 are available to the state of Florida from the U.S. Department of Housing and Urban Development (HUD). The Florida Department of Economic Opportunity (DEO) will administer the Neighborhood Stabilization funds for the state. The local governments receiving NSP 3 funds are: Highlands County, Clay County, Putnam County, Flagler County, Alachua County, Columbia County, Levy County and Panama City. Each subgrantee received a grant of \$1,029,844. The awards have been entered into with all counties. Final contract award to Panama City currently underway and will serve Bay County area.

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## **APPENDIX 8**

### **STATE ANNUAL ACTION PLAN WORKGROUP**

The Plan Workgroup consisted of the persons listed below. Every person on the list was contacted for all meetings, general mail-outs and drafts:

Craig Reynolds, DOH-HOPWA  
Cheryl Urbas, DOH-HOPWA  
Joe May, DOH-HOPWA  
Robert Dennis, DEO-CDBG  
Debbie Dedman, DEO-CDBG  
Roger Doherty, DEO-CDBG  
Nicole Gibson, FHFC-HOME  
Tom Pierce, DCF-ESG  
Mia Parker, DCF-ESG  
Penny Walker Bos, DEO-CDBG  
Natosha Henry, DEO-CDBG  
Debi Johnson, DEO-CDBG  
Sean Lewis, DEO-CDBG

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## APPENDIX 9

### COMMENTS ON THE PLAN

Suggestions made by workgroup members or interested parties during workgroup meetings were incorporated into the body of the plan as it was being drafted. There were no comments received during the public hearings, but several questions were asked. No citizens submitted questions and comments during the 30-day comment period for the original plan. However, during the 30-day comment period for the Substantial Amendment, comments were received.

#### Substantial Amendment Comments from:

1. Jeffrey C. Winter, Project Manager for Jordan & Associates
  - page 17- typo should be 39% not 40% this was corrected prior to comment
  - page 18- addition to Commercial Revitalization bullet – Correction of architectural barriers to handicap access to ensure accessibility for handicapped (disabled) persons
  
2. Tom Pierce, Office on Homelessness-Emergency Solutions Grant (ESG)
  - Language Edits on pages; 84, 98, 107, 108, 109, & 110, of the Substantial Amendment; Summary of language edits- Removal of competitively; the Department awards are in the best interest of the State as determined by the Secretary. Applications are now evaluated, not scored and ranked, by Capacity and Performance criteria.
  - Insertion of Table 1 and monitoring language (per Kathy White’s Request)
  
3. Craig Reynolds, Housing Opportunities for Persons with Aids (HOPWA)
  - Insertion of Table 1 and 2a (per Kathy White’s Request)
  
4. Heather Boyd, Florida Housing (HOME)
  - Edits- Referencing page 61 (adding 500 to rental assistance and adjusting the total for that column.
  - Insertion of Table 1 and 2a (per Kathy White’s Request)
  
5. Roger Doherty- Small Cities CDBG program
  - Eligible Communities Change- West Melbourne is listed as a non-entitlement community for Federal Fiscal Year (FFY) 2013. For FFY 2012, West Melbourne was identified as part of the Brevard County entitlement.
  
6. CDBG program (per Kathy White’s Request)
  - Summary of public participation actions that took place for *this* Action Plan. (page 127 & 128)

**Optional Table 3B**

**STATE ANNUAL HOUSING COMPLETION GOALS**

Grantee Name: Program Year:	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
<b>Annual Affordable Rental Housing Goals (SEC. 215)</b>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	50		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Rental</b>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Annual Affordable Owner Housing Goals (SEC. 215)</b>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		
Production of new units			<input type="checkbox"/>	<input type="checkbox"/>		
Rehabilitation of existing units	10		<input type="checkbox"/>	<input type="checkbox"/>		
Homebuyer Assistance			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Owner</b>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Annual Affordable Housing Goals (SEC. 215)</b>						
Acquisition of existing units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Homebuyer Assistance			<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Housing</b>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Annual Affordable Housing Goals (SEC.215)</b>						
Homeless households			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...Non-homeless households			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...Special needs households			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Annual Housing Goals</b>						
Annual Rental Housing Goal			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Annual Housing Goal</b>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>