



Housing Recovery Policy Manual

Resilient SRQ: Community Development
Block Grant - Disaster Recovery

Hurricanes Debby, Helene, and Milton

Version History and Policy Revisions

This Program Manual constitutes the primary governance for the implementation of Sarasota County's ***Resilient SRQ Housing Recovery Program*** (Program) which consists of Rehabilitation/Reconstruction and Reimbursement activities to primarily provide assistance for low-to-moderate income households impacted by Hurricane Debby, Helene, and Milton referred to throughout this document as 2024 storms.

From time to time, the Program will issue revisions which may modify the contents of this Manual. Revisions will be summarized in the table below.

[illegible]

| | | |
|------|--|----|
| 1. | Program Introduction..... | 1 |
| 1.1 | Overview | 1 |
| 1.2 | HUD National Objectives..... | 2 |
| 1.3 | Funding Priorities | 3 |
| 2. | Funding Sources and Program Administration | 4 |
| 2.1 | Funding Source..... | 4 |
| 2.2 | Applicable Laws and Regulations | 4 |
| 2.3 | Sarasota County Administrative Structure..... | 4 |
| 3. | Program Eligibility Criteria | 5 |
| 3.1 | Minimum Eligibility Criteria..... | 5 |
| 3.2 | Initial Survey | 6 |
| 3.3 | Application | 6 |
| 3.4 | Order of Processing, Initial Application Submission, and Completeness Review | 7 |
| 3.5 | Property Eligibility Criteria | 8 |
| 3.6 | Applicant Eligibility Criteria | 10 |
| 3.7 | Prior Federal Flood Insurance Assistance and Requirements..... | 14 |
| 3.8 | Income Eligibility | 15 |
| 3.9 | Conduct and Program Participation Expectations | 17 |
| 3.10 | Household Size and Occupancy Standards | 18 |
| 3.11 | Fair Housing and Equal Opportunity Data Collection..... | 19 |
| 3.12 | Other Policy Considerations | 19 |
| 3.13 | Ineligible Applicants | 21 |
| 3.14 | Communication Standards and Special Needs..... | 21 |
| 4. | Rehabilitation and Reconstruction Program..... | 23 |
| 4.1 | Overview and Program Cap..... | 23 |
| 4.2 | Environmental Review – Rehabilitation and Reconstruction..... | 24 |
| 4.3 | Duplication of Benefits (DOB) Gap Reduction..... | 25 |
| 4.4 | Flood Insurance Requirements | 25 |
| 4.5 | Rehabilitation of Conventional Construction Homes..... | 26 |
| 4.6 | Reconstruction of Conventional Construction Homes..... | 26 |
| 4.7 | Rehabilitation of Manufactured Housing Units (MHUs) | 27 |
| 4.8 | Replacement of Manufactured Housing Units (MHUs) | 27 |

| | | |
|------|---|----|
| 4.9 | Construction Standards..... | 28 |
| 4.10 | Reasonable Accommodations | 29 |
| 4.11 | Eligible and Ineligible Rehabilitation and Reconstruction Expenses..... | 29 |
| 4.12 | Inspections | 30 |
| 4.13 | Warranty | 30 |
| 5 | Temporary Housing and Storage Units | 31 |
| 5.1 | Temporary Housing | 31 |
| 5.2 | Storage Units | 31 |
| 6 | Homeowner Reimbursement Program | 32 |
| 6.1 | Overview and Funding Cap..... | 32 |
| 6.2 | Reasonable and Necessary Costs | 33 |
| 6.3 | Continuing Work after Submittal of Program Application | 34 |
| 6.4 | Environmental Review – Reimbursement Program..... | 34 |
| 6.5 | Reimbursement Program Options | 34 |
| 6.6 | Reimbursement of Elevated Homes..... | 38 |
| 6.7 | Eligible and Ineligible Expenses | 38 |
| 7 | Initial Site Inspection (ISI) and Scope Development | 39 |
| 7.1 | Overview | 39 |
| 7.2 | Safety..... | 39 |
| 7.3 | Eligible Costs..... | 40 |
| 7.4 | Ineligible Costs..... | 40 |
| 7.5 | Initial Site Inspection Process..... | 40 |
| 8 | Special Flood Hazard Areas and Substantial Damage | 42 |
| 8.1 | Substantial Damage..... | 42 |
| 8.2 | Substantial Improvements | 42 |
| 8.3 | Substantially Damaged or Substantial Improvement Elevation Requirements | 42 |
| 8.4 | Rehabilitation Scope of Work..... | 42 |
| 8.5 | Feasibility of Rehabilitation vs Reconstruction | 43 |
| 8.6 | Reconstruction Scope of Work..... | 43 |
| 8.7 | Allowable Costs of Repairs | 44 |
| 8.8 | Non-Reimbursable Allowable Activities | 44 |
| 8.9 | Eligible and Ineligible Scope | 45 |
| 9 | Environmental Review | 57 |

| | | |
|------|---|----|
| 9.1 | Environmental Overview for Housing | 57 |
| 9.2 | Responsible Entity (RE)..... | 57 |
| 9.3 | Certifying Officer (CO) | 57 |
| 10 | Duplication of Benefits (DOB) | 58 |
| 10.1 | Overview | 58 |
| 10.2 | Sources of Duplication of Benefits | 58 |
| 10.3 | Assistance Not Considered Duplicative..... | 65 |
| 10.4 | Potential Contractor Fraud..... | 65 |
| 10.5 | Forced Mortgage Payoffs | 65 |
| 10.6 | Tax Filings | 65 |
| 10.7 | Funds for the Same Purpose but for Different Eligible Use | 66 |
| 10.8 | Repayment of Funds | 66 |
| 10.9 | DOB Analysis Frequency..... | 67 |
| 11 | Award Determination..... | 67 |
| 11.1 | Calculating Program Awards | 67 |
| 11.2 | Zero Award | 68 |
| 11.3 | Calculating the Duplication of Benefits..... | 68 |
| 11.4 | Agreement Execution | 69 |
| 12 | Issue and Dispute Resolution | 70 |
| 12.1 | Eligibility Specialists and Other Support Representatives..... | 70 |
| 12.2 | Special Case Panel | 70 |
| 12.3 | Appeals | 71 |
| 13 | Inactive Applicants | 72 |
| 13.1 | Voluntary Withdrawal | 72 |
| 13.2 | Unresponsive Applicants..... | 72 |
| 14 | Close Out | 72 |
| 14.1 | Overview | 72 |
| 14.2 | Reimbursement Closeout..... | 73 |
| 14.3 | Construction Closeout (Rehabilitation and Reconstruction) | 73 |
| 14.4 | Compliance Monitoring..... | 73 |
| 14.5 | Final Program Closeout | 74 |
| 15 | Cross-Cutting Requirements | 74 |
| 15.1 | Conflict of Interest..... | 74 |

| | | |
|-------|--|----|
| 15.2 | Anti-Fraud, Waste, and Abuse Compliance..... | 75 |
| 15.3 | Management Information System Recordkeeping/Document Management and Retention/Reporting | 75 |
| 15.4 | HUD Disaster Recovery Grant Reporting (DRGR) System | 76 |
| 15.5 | Uniform Relocation Act (URA)..... | 76 |
| 15.6 | Davis-Bacon Act and Related Acts (DBRA) | 76 |
| 15.7 | Fair Housing..... | 76 |
| 15.8 | Accessibility and Section 504 Compliance | 77 |
| 15.9 | Lead-Based Paint | 77 |
| 15.10 | National Environmental Policy (NEPA) and Environmental Review..... | 77 |
| 15.11 | Financial Systems | 77 |
| 15.12 | Section 3 | 78 |
| 15.13 | Americans with Disabilities Act (ADA)..... | 78 |
| 15.14 | Confidentiality/Privacy | 79 |
| 17. | Glossary | 79 |

1. Program Introduction

1.1 Overview

Sarasota County is the recipient of the Community Development Block Grant-Disaster Recovery (CDBG-DR) funds from the United States Department of Housing and Urban Development (HUD) to support long-term disaster recovery needs of Sarasota County from the impacts of the Hurricanes Debby, Helene, and Milton (“2024 Storms”). Each activity utilizing CDBG-DR funds must:

- Address a direct or indirect impact from the disaster in the most impacted and distressed areas;
- Be a CDBG eligible activity (or be eligible under a waiver or alternative requirement); and
- Meet a National Objective

Following the 2024 Storms, damage to residential structures was identified as a significant unmet need in the 2024 Storms Action Plan. In alignment with its comprehensive approach to recovery from the 2024 Storms, Sarasota County launched the Resilient SRQ Housing Recovery Program (“Program”) on May 28, 2025. The Program provides assistance to eligible homeowners through:

- Rehabilitation/Reconstruction of owner-occupied single-family homes; and
- Reimbursement for eligible repair expenses already incurred.

The Program provides assistance to eligible applicants through the Rehabilitation and Reconstruction program and/or Reimbursement program. Interested homeowners will go through an Application Intake and Eligibility process as described in this manual to determine eligibility. If an applicant is deemed eligible, they may receive rehabilitation or reconstruction assistance and/or reimbursement assistance. The County will determine if an applicant is eligible to receive any assistance, whether rehabilitation or reconstruction and/or reimbursement by conducting a thorough review and analysis of each applicant’s situation. This review includes but is not limited to an application eligibility review (verification of income, review of assistance received, if any), initial site inspection, environmental review, and duplication of benefits review. The process for these steps is further contained in this manual.

While the Program may serve households with income up to 120 percent area median income (AMI), households with income levels at or below 80 percent AMI will receive priority for assistance. This Policy Manual provides the overall objectives and process the Program will award CDBG-DR funds to eligible LMI and urgent need disaster impacted populations. The Program will also secure housing by bringing existing units into compliance with applicable health and safety codes or by replacing those existing structures that cannot be repaired. When possible, homes below the base flood elevation (BFE) will be elevated to protect against future flooding events.

1.2 HUD National Objectives

1.2.1 Overview

In support of HUD's recovery objectives, Sarasota County has designed its storm recovery programs to help impacted residents and communities recover from damage inflicted by the 2024 storms. As expressed in the Federal Housing and Community Development Act of 1974, the primary objective of the general CDBG program is "the development of viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of LMI." CDBG-DR funding appropriated in response to disasters must meet the general goals of the CDBG program.

All activities funded through the Resilient SRQ Housing Recovery Program must meet at least one of the HUD National Objectives defined in the authorizing statute of the CDBG program:

- Benefiting LMI (80 percent of AMI), or
- Meeting an Urgent Need (URG) (120 percent of AMI)

HUD's third National Objective is Removal of Slum and Blight; however, funding from the Resilient SRQ Housing Recovery Program will not be used for that Objective. For the purposes of this Program, The County will document household income for beneficiaries and identify the application to qualify for either the LMI National Objective or for the URG National Objective.

1.2.2 LMI National Objective

Households must have an annual income that does not exceed 80 percent of the AMI adjusted for household size in accordance with the income levels established by HUD and published annually. Applicants will be screened for income eligibility by submitting required documentation. The Resilient SRQ Housing Recovery Program will use a definition of income provided by HUD through an IRS 1040 tax return or other acceptable forms of documentation. Resilient SRQ will use income levels for the applicable year as published by HUD.

1.2.3 URG National Objective

Using the URG national objective will be approved at the discretion of the Resilient SRQ Program. If the household does not meet the LMI threshold of 80 percent, the household income cannot exceed 120 percent AMI and must meet HUD's URG objective to be considered.

1.2.4 Income Limits

To determine eligibility under either the LMI or URG National Objective, household income is assessed in relation to the AMI for Sarasota County, adjusted by household size and published annually by HUD.

The 2025 annual income limits for Sarasota County are as follows:

2025 HUD Income Limits Summary

| Household Size | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|----------------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Low-Mod (80%) | \$60,300 | \$68,900 | \$77,500 | \$86,100 | \$93,000 | \$99,900 | \$106,800 | \$113,700 |
| URG (120%) | \$90,480 | \$103,320 | \$116,280 | \$129,120 | \$139,560 | \$149,880 | \$160,200 | \$170,550 |

1.3 Funding Priorities

1.3.1 Overview

The Program has allocated \$33,300,000 toward recovery efforts for housing recovery. This amount includes two subprograms, Homeowner Rehabilitation/Reconstruction and the Reimbursement Program. The two programs share a common application process as detailed in the Application section of this Manual.

| County Activity | HUD Activity Type | Grant Amount | Percent of Funds |
|---|---------------------------------------|---------------------|--------------------|
| Homeowner Rehabilitation/Reconstruction | Housing Rehabilitation/Reconstruction | \$25,000,000 | 76 percent |
| Reimbursement | Reimbursement | \$8,300,000 | 24 percent |
| TOTAL | | \$33,300,000 | 100 percent |

Estimated Funding Breakdown by HUD National Objective

The table below presents a projected distribution of funds for each subprogram based on HUD National Objectives. These figures and objectives are projections used for planning and may adjust based on actual applicant eligibility and demand.

| Activity | Program Value | National Objective | Value |
|---------------------------------------|---------------|--------------------|--------------|
| Housing Rehabilitation/Reconstruction | \$25,000,000 | LMI (70 percent) | \$17,500,000 |
| | | URG (30 percent) | \$7,500,000 |
| Reimbursement | \$8,300,000 | LMI (70 percent) | \$5,810,000 |
| | | URG (30 percent) | \$2,490,000 |

1.3.2 Prioritization

The Program prioritizes applicants based on income information collected through an initial survey. Applicants with household incomes at or below 80% of AMI, classified as LMI will be given priority and invited to complete a full program application. Applicants with incomes above 80% but not exceeding 120% of AMI may still be eligible but are considered after prioritization of LMI applicants. Because funding is focused on LMI households, assistance for URG

households (up to 120% AMI) may be limited and subject to extended delays depending on available resources.

2. Funding Sources and Program Administration

2.1 Funding Source

In January 2025, the U.S. Department of Housing and Urban Development (HUD) announced that Sarasota County received \$210,094,000 in response to the 2024 storms Debby DR-4806-FL, Helene DR-4828-FL, and Milton DR-4834-FL, in CDBG-DR funding to support long-term recovery efforts, including efforts to respond to residential housing needs. The CDBG-DR funding is considered funding of last resort and designed to address “unmet needs” that remain after all other assistance has been exhausted.

2.2 Applicable Laws and Regulations

The CDBG-DR funds allocated to Sarasota County are governed by the statutory and regulatory framework outlined in the Disaster Relief Supplemental Appropriations Act, 2025, and subsequent guidance issued by HUD. These funds are subject to the requirements outlined in the table below

| Public Laws | Law Name | Date of Publication | Location |
|--------------|-------------------------------------|---|---|
| H.R. 10445 | Continuing Appropriations Act, 2025 | 12/21/2024 | https://www.congress.gov/bill/118th-congress/house-bill/10445/text |
| P.L. 117-328 | 90 FR 1754 – Universal Notice | 1/13/2025 | https://www.hud.gov/sites/default/files/CPD/documents/Universal-Notice-04032025.pdf |
| P.L. 117-328 | 90 FR 4759 – Federal Register | 1/16/2025 (Applicability Date 1/21/2025) | https://www.federalregister.gov/documents/2025/01/08/2024-31621/common-application-waivers-and-alternative-requirements-for-community-development-block-grant |

2.3 Sarasota County Administrative Structure

The County’s Office of Financial Management, Program Management Division, has administrative authority over the Program. The County will administer its Housing Recovery Program in accordance with this Policy Manual, Standard Operating Procedures, Florida State Law, and HUD CDBG-DR regulatory requirements and guidance. Sarasota County may adjust program priorities or re-allocate program funds for the Housing Recovery Program if doing so would better serve the affected communities and their residents.

Sarasota County reserves the sole discretion of interpreting and applying these policies, except for those items where HUD has indicated that their prior approval is required for implementation. The County will utilize administrative procedures to implement the programs and modify them to meet

any changes made to such rules and regulations of the oversight entities, which may occur over time. At all times, should any conflict in these procedures exist with the applicable funding source, the requirements of the funding source shall take precedence.

Daily administration of the programs will be under the direct supervision of the Resilient SRQ Program Managers or their designee. The County's Office of Financial Management will authorize payments to vendors and contractors after Resilient SRQ staff reviews and validates the submitted invoice packages. The Division Manager, Program Management Division, or their designee will serve as the County's Certifying Officer for environmental compliance.

3. Program Eligibility Criteria

3.1 Minimum Eligibility Criteria

To participate in the Resilient SRQ Homeowner Recovery Program, an Applicant must meet the following eligibility criteria:

- The Applicant must have owned and occupied the single-family dwelling as the Applicant's primary residence during one of the 2024 Storms.
- The Applicant must be the current owner and occupy the property as their primary residence.
- The Applicant cannot have any renters living in the residence.
- The Applicant's annual household income must be equal to or less than 80 percent of the AMI for Sarasota County. The household income can be equal to or lower than 120 percent if the Urgent Need National Objective is met.
- The damaged property must be an eligible structure type.
- The damage must have occurred as a direct result of the 2024 storms.
- The Applicant must be a U.S. Citizen or a Lawful Permanent Resident in the United States.
 - No Applicant will be eligible for program assistance if the Applicant is a non-citizen who is prohibited from receiving federal public benefits under the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA).
- Applicants who previously received federal disaster relief assistance which required the recipient to maintain flood insurance but who did not maintain such insurance are not eligible for assistance.
- Applicants with a mortgage must be in good standing or on a payment plan in good standing.

Other circumstances and acceptable documentation determinations, particularly when special scenarios or conflicting information arise, will be evaluated on a case-by-case basis by the Special Case Panel.

Homeowners are required to meet eligibility criteria before they can be considered for receiving assistance. As part of the application package, Applicants will be required to provide complete and accurate information regarding their household composition, annual income, ownership, and

residency status among other criteria outlined in the application. Failure to disclose complete and accurate information promptly may affect eligibility and program participation.

3.2 Initial Survey

The Program launched an Initial Survey (“Survey”) on May 28, 2025 for disaster impacted residents and collected basic information like contact information, identification from which 2024 storm(s), and income. The data from the Survey assists the Program in identifying potential applicants for prioritization for assistance and identifying Surveys that may not meet the eligibility criteria of the Program.

The Survey remained open until the Program received sufficient responses anticipated to fully expend the HRP Program budget. An initial group of survey respondents (in order of survey completion) that reported to be LMI will be first to be invited to proceed to the HRP application process. If the HRP survey response volume is considered to be lower than the anticipated processing volume, outreach efforts will be increased, and the Survey close date may be reopened to allow the community the opportunity to provide survey submissions.

The Survey and applications will be made available in English and Spanish. The documents may be translated into additional languages upon request.

3.3 Application

Applicants who completed the Survey and appear to meet the minimum eligibility requirements may be invited to complete a full application to be considered for the HRP. The Applicant must complete and submit an online application. Program Eligibility Specialists will be available to help homeowners complete their application by phone or in-person.

The invitation to complete the application will include the Resilient SRQ Program web address for the online application portal, and the phone number Applicants can call for more information. The application will aggregate information including but not limited to:

1. Homeowner Information
2. Household Composition and Characteristics
3. Damaged Property Information
4. Details of types of Assistance Received
5. List of Expenditures incurred fixing the storm damaged property:
6. Income Certification Information
7. Communication Designee or Alternative Contact(s)
8. (Optional) Primary Applicant Demographic Information for HUD Reporting
9. List of Prior Federal Assistance received at this property
10. Applicant Release and Right of Entry Form
11. Lead-based Paint Notification

Homeowners are expected to complete the application and submit the required documentation in a timely fashion. Homeowners that are non-responsive or do not provide full data and documentation timely may have their status moved to abandoned so that funds may be prioritized

for homeowners with complete applications. Once the date and documentation is provided to the program, the applicants status will be moved from abandoned to active to continue to be processed subject to availability of program funds.

Once an application is submitted, HUD regulations prohibit reimbursement for any work completed prior to environmental clearance. The Resilient SRQ program will conduct the environmental review of the property and obtain environmental clearance before any Program assistance can be provided. **To comply with these requirements, all repair work must stop immediately upon submission of a Program application.** Any additional work performed after submission of the application will not be eligible for reimbursement assistance. If an Applicant is determined to meet the initial eligibility review requirements, an Applicant will be notified and an Initial Site Inspection (ISI) will be scheduled. If an Applicant is determined not to be eligible for the Program, a denial will be provided to the Applicant(s) with an option to appeal. Refer to the Appeals Policy Section of this Manual for additional information.

3.4 Order of Processing, Initial Application Submission, and Completeness Review

3.4.1 Order of Processing

The Resilient SRQ Program is a first come, first serve program with initial priority given to Applicants that meet HUD's LMI National Objective. Based on ongoing assessment of the Survey, the program will invite a to-be-determined number of homeowners to complete the program Application. As those applications are processed the program will invite another to-be-determined number to apply. This will be an iterative process that will be the same for each batch of applicants invited.

3.4.2 Date of Initial Application Submission

The date of initial submission shall be the date that the HRP receives an application submitted by the Applicant which includes all supporting documentation required to make an eligibility determination. Applications will be submitted electronically through the County's online application portal.

3.4.3 Completeness and Eligibility Review

The Program will perform a Completeness Review of each application as it is received. A complete submission will include all data and forms necessary to determine eligibility and to perform an initial duplication of benefit (DOB) review. If the Completeness Review finds that sufficient documentation is received to determine eligibility, then an eligibility review determination will follow. In addition to the eligibility documentation all required DOB information shall be submitted before the application reserves its place in the first-come-first serve queue.

Attempted submission of an incomplete or partial application will not constitute the completion of an application or place the potential Applicant in queue for first-come-first-serve priority.

Applications are not considered to be complete until an Eligibility Specialist has reviewed all information and documentation necessary to process the application for an eligibility review.

The following conditions shall stop the eligibility review phase from being either initiated or completed:

- If an application lacks documentation necessary to review eligibility;
- If an application fails the Program's eligibility review because the Applicant failed to provide the correct documentation needed to complete the eligibility review;
- The Applicant withdraws from the Program;
- If an application is determined to be ineligible.

3.5 Property Eligibility Criteria

Properties receiving assistance from the HRP must meet each of the following property eligibility criteria.

3.5.1 Residential Property

The housing unit receiving assistance must be a single-family, owner-occupied residential unit (up to four units). This will be preliminarily verified at the Eligibility Review stage and fully verified at the time of the ISI.

Eligible property types include single-family (1-4 unit structures) dwellings, including conventional construction, and manufactured or mobile home units. Other non-permanent occupied structures are not considered as eligible property types.

Commercial units, commercial space, recreational vehicles and campers, second homes, seasonal, short-term, and vacation rental homes, or detached structures (detached garages, sheds, barns, shops, storage or outbuildings) are not eligible for the Program. Exceptions may be made if required by local codes, verified HOA requirements as part of an eligible 1–4-unit structure type, or on a case-by-case basis with Program approval.

HRP Applicants must indicate on their HRP application that their property contains at least one residential unit, and that the property does not contain any commercial units. The Program will confirm this information by viewing online property tax record databases. The Program's ISI will serve as the final residential property documentation. In addition:

- The property must not have any uncorrectable environmental deficiencies that would prevent the use of federal funds.
- **Reimbursement Program Only**, all repairs must be within the same footprint as before the storm. Before approval for reimbursement can be given, the dwelling must receive environmental Tier II clearance per NEPA requirements.

3.5.2 Location in Sarasota County

The property receiving assistance must be located in Sarasota County.

The location of the property listed on the application will be verified via a review of Sarasota County's property appraiser's website or through other methods such as Geographic

Information System (GIS) review. There is no supporting documentation required from the Applicant. The results of this determination will be maintained in the Program's system of record.

3.5.3 2024 Storms Proof of Damage

The residential unit receiving assistance must have sustained physical damage caused by at least one of the 2024 storms. Damage is defined as rain, wind and/or flood damage received as a direct result of the storm, in addition to any subsequent damage arising from the original storm damage. This shall include individuals whose homes were flooded after any of the 2024 storms due to the release of water from reservoirs, lakes or other impounded bodies of water.

2024 storm damage may be verified through one of the following sources of documentation, although this may not represent an exhaustive list:

- Receipt of Homeowners Insurance Structural Loss Benefits for a loss that occurred in correlation with any of the 2024 storms;
- Receipt of Florida Windstorm Insurance Structural Loss Benefits for a loss that occurred at the time of the 2024 storms;
- Receipt of Flood Insurance (through National Flood Insurance Program (NFIP)) Building Loss Benefits for a loss that occurred at the time of the 2024 storms;
- Receipt of NFIP Increased Cost of Compliance (ICC) Benefits for a loss that occurred during the 2024 storms;
- An acknowledgement of loss or approval of claim issued by an insurance company that demonstrates that a loss occurred during the time frame of the 2024 storms but that loss was either not covered by the relevant policy of insurance or the loss was below the deductible for that policy;
- FEMA Individual Assistance Home Repair Benefits for the 2024 storms (FEMA Disaster #s 4806, 4828 or 4834);
- FEMA Individual Assistance Replacement Benefits for the 2024 storms;
- SBA Personal Disaster Loan Benefits for the 2024 storms Real Estate Property Damage;
- SBA Personal Disaster Loan Benefits for Mitigation Activities Related to the 2024 storms;
- Third-party site assessments performed by FEMA, independent insurance adjusters or other parties that clearly state that the property was damaged by the 2024 storms; or
- Copy of dated photos showing damage to the home as a result of the 2024 storms.

Other verifiable documentation when available, such as dated construction permits indicating storm damage, documentation from other private or non-profit assistance sources, etc., may be used to support the residence sustained damage related to the 2024 storms.

3.5.4 Property Insurability

Uninsurable properties, such as properties located over water or manufactured homes that are not affixed to a permanent foundation are not eligible for assistance under the Program.

Additionally, the Program's ISI will serve as documentation of insurability, however eligibility to receive coverage, if required as a condition of Program assistance, through the NFIP can only be determined by FEMA.

3.6 Applicant Eligibility Criteria

Applicants receiving assistance from the Resilient SRQ Program must meet each of the following eligibility criteria.

3.6.1 Applicant Identity

A valid, current (not expired at the time of submission) state or federal government-issued photo identification is required for the Applicant and all adult household members. Acceptable forms of identification (ID) include a State issued driver's license or government issued photo ID (e.g. passport, military ID).

3.6.2 Ownership

The Program must make the following determinations related to the ownership of the damaged property. The Program must determine:

- That the Applicant owned the property or had an ownership interest in the property at the time of the 2024 storms;
- That the Applicant currently owns the property or has an ownership interest in the property; and
- That the owner of the property is a person or a trust that lists one or more occupants of the home as a beneficiary.

3.6.2.1 Ownership at the Time of the Storm

The Program will determine whether an Applicant meets the ownership at the time of the storm requirement by viewing online records of ownership or by reviewing ownership documentation. Ownership at the time of the storm may be verified through one of the following sources of documentation:

- Online screenshot of property appraiser website demonstrating that the Applicant owned the property during the named 2024 storm;
- A mobile home title or similar legal document evidencing ownership that is dated on or before named 2024 storm;
- A condominium or cooperative shareholder agreement or other evidence of shared ownership dated on or before named 2024 storms;
- Other documentation to validate proof of ownership at the time of the 2024 storms and may be reviewed and approved on a case-by-case basis.

3.6.2.2 Current Ownership

The Program will determine whether an Applicant meets the current ownership or ownership interest requirement by viewing online records of ownership or by reviewing ownership documentation provided by the Applicant. Current ownership may be verified through one of the following sources of documentation:

- Online property appraisers website screenshot demonstrating that the Applicant owns the property at time of application;

- A mobile home title or similar legal document evidencing ownership that is dated on or before the date of application;
- A condominium or cooperative shareholder agreement or other evidence of shared ownership;
- A “99-year” lease dated on or before the date of application; or
- Other documentation that will be reviewed and approved on an individual basis.

If a homeowner provides a mobile home title dated prior to the application date, the program will assume they currently own the mobile home unless additional documentation is provided to demonstrate otherwise.

3.6.2.3 Special Considerations for Trusts

Applicants whose properties are owned by trusts that were created for the benefit of natural persons who are the occupants of the home may be eligible for assistance. The following rules apply to such trusts:

- The Applicant must be one of the beneficiaries of the trust;
- The trust or the Applicant/beneficiary must have owned the property at the time of the 2024 storms and must currently own the property;
- The Applicant/beneficiary must meet all of the Program’s eligibility criteria, including, but not limited to primary residency at the time of the storm and currently;
- The Applicant must provide a copy of the trust document to the Program;
- The trust document or an abstract or extract of the trust must be recorded in the conveyance records of the County. These records may be recorded after the 2024 storms, if necessary; and
- The Program will consider any disaster recovery benefits received by the trust and any beneficiary or occupant of the home when calculating the Applicant’s assistance amount.

If the Program determines that a trust is eligible for assistance, the Program will follow the following rules:

- The tri-party and/or reimbursement agreement (“Agreement”) and all associated documentation must be executed by the trustee(s) of the trust.
- Agreement must be executed by the trustee(s) of the trust and the Applicant and, if applicable, the co-owner unless a distribution has occurred.

3.6.3 Primary Residency and Owner-Occupancy

The Program must verify primary residency and owner-occupancy at the time of the 2024 storms and at the time of application. For the Resilient SRQ Housing Recovery Program, proof of primary residency is considered to be proof of owner-occupancy if at least one validated owner proves they both occupied the home at the time of the 2024 storms and at the time of application as their primary residence. Second homes are not eligible for assistance. A second

home is defined by HUD as a home that is not the primary residence of the owner, a tenant, or any occupant at the time of the storm or at the time of application for assistance.

The Program relies on various documentation and data sources to verify primary residency. The Program primarily relies upon a determination of whether the Applicant has been granted a homestead exemption for the property as documented in online property tax records. In the absence of a homestead exemption, the Program relies upon other documentation provided by the Applicant.

The following documentation requirements apply to individually owned homes. All documentation is subject to review and approval by the Program. For documentation to be considered valid, it must meet all of the following criteria:

- The Applicant's name(s) must appear on the documentation; and
- The documentation must be clearly dated within the date range provided for that type of documentation; and
- The property address listed on the application as the damaged property address must appear in the documentation.

3.6.3.1 Acceptable Documentation of Primary Residency/Owner Occupancy at the Time of the Storm

The following will be accepted if it contains the required information listed above:

- Screenshot from property appraiser website showing homestead exemption for the 2024 tax year;

Additional documentation may be used to verify primary residency/owner occupancy such as those listed below but only if coupled with multiple (a minimum of two) acceptable documentation types on record:

- Valid government issued photo identification active at the time of the storm;
- Copy of water, electric, or gas bill(s) showing service for the six (6) months prior to time of the storm, showing that service was provided in the name of the Applicant and that usage was consistent with primary residency as determined by the program.
- Letter from a water, electric or gas service provider stating that service was provided in the name of the Applicants(s) for the six (6) months prior to the storm, and that the level of service was consistent with a primary residence;
- Receipt of government benefits dated between the three months before or after the time of the storm showing the Applicant's name and damaged property address (Examples include Social Security, Medicare, Medicaid, WIC, and Unemployment);
- Homeowners Insurance indicating primary residence at the time of the storm;
- Employer's statement addressed to the Applicant at the damaged home address and dated between one month prior and one month after the time of the storm (Examples include pay stubs and similar documents);
- Vehicle registration or renewal for the impacted year with the Applicant's name and damaged property address listed.

3.6.3.2 Acceptable Documentation of Primary Residency/Owner Occupancy at the Time of Application

The following will be accepted if it contains the required information listed above:

- Screenshot from property appraiser website showing homestead exemption for the tax year that coincides with the year of application submittal;

Additional documentation may be used to verify primary residency/owner occupancy such as those listed below but only if coupled with multiple (a minimum of two) acceptable documentation types on record:

- Valid government issued photo identification active at date of application;
- Copy of water, electric, or gas bill(s) showing service for the six (6) months prior to date of application, showing that service was provided in the name of the Applicant and that usage was consistent with primary residency as judged by the Program's eligibility review team;
- Letter from a water, electric or gas service provider stating that service was provided in the name of the Applicants(s) for the six (6) months prior to the application date, and that the level of service was consistent with a primary residence;
- Receipt of government benefits dated between the three months before or after the date of the application submission showing the Applicant's name and damaged property address (Examples include Social Security, Medicare, Medicaid, WIC, and Unemployment);
- Current Homeowners Insurance indicating primary residence;
- Current employer's statement addressed to the Applicant at the damaged home address (Examples include pay stubs and similar documents);
- Vehicle registration or renewal for the current year with the Applicant's name and damaged property address listed.

3.6.3.3 Primary Residency Exceptions

Exceptions to this policy related to the primary residency include the following:

- An Owner/Occupant who is/was in the United States Military and was deployed outside of the United States may still qualify for an award as long as he or she was not renting the property to another person.
- An Owner/Occupant who was temporarily living in a nursing home, assisted living facility, or other medical facility may still qualify.
- If the Owner/Occupant of the damaged property at time of named 2024 storm died after the disaster, the Applicant (heir) must provide evidence also that the damaged property was the Applicant (heir's) primary residence at the time of the named 2024 storm.
- If the Owner/Occupant of the damaged property at the time of the named 2024 storm had to move due to the uninhabitability of the primary residence, this must be documented by the applicant and provided to the Program.

3.7 Prior Federal Flood Insurance Assistance and Requirements

If the property listed on the application received previous federal flood disaster assistance and was required to obtain and maintain flood insurance through the NFIP or a private flood insurance policy, but the property owner failed to maintain that insurance at the time of the 2024 storms, the property is not eligible for assistance under this Program, as required by applicable federal law.

This requirement transfers to new owners when a property is sold. Properties sold prior to the date of the named 2024 storm may still be subject to this requirement, even if the current owner did not personally receive flood disaster assistance. The Program recognizes that current owners may be unaware of this requirement, as previous owners were responsible for notifying them about the obligation to carry flood insurance. The Program uses a two-step verification process to determine whether an applicant is ineligible for assistance due to a failure to maintain the required flood insurance.

3.7.1 Verification Step 1

The Program has been provided a list of properties that applied for FEMA assistance following the 2024 storms. If FEMA determined that an Applicant was not eligible for FEMA Individual Assistance because the Applicant was not in compliance with the requirement to carry flood insurance, the Program presumes that the Applicant is not eligible to receive Resilient SRQ Program assistance. The Applicant may provide information that FEMA's determination was incorrect, and in such cases, the Program may override FEMA's determination of noncompliance.

3.7.2 Verification Step 2

The Program has been provided lists of properties that received SBA, FEMA, and CDBG-DR assistance for past storms. Applicants that received past assistance and whose homes are located in the 100-year floodplain according to the FEMA Flood Insurance Rate Map (FIRM) that was in effect at the time of the 2024 storms and were required to carry a policy of flood insurance at the time of the 2024 storms. If the Applicant was required to carry flood insurance, the Program first determines whether the Applicant's property address appears on the FEMA-provided list of properties whose owners filed flood insurance claims after the 2024 storms. Applicants that filed flood insurance claims through the NFIP are presumed to have satisfied the requirement to carry flood insurance. Applicants who did not file claims may provide proof of flood insurance coverage by providing documentation that their home was covered by a policy of flood insurance issued through the NFIP or through a private insurer that was in force on the date of the named 2024 storm.

In the absence of data showing that the Applicant filed a NFIP claim for any of the 2024 storms, Applicants may submit proof that they carried a policy of flood insurance that was in force on the date of the named 2024 storm to present, through the NFIP or through another insurer.

3.8 Income Eligibility

Resilient SRQ's CDBG-DR-funded housing recovery activities must meet one of HUD's national objectives. The primary objective of the Resilient SRQ Housing Recovery Program is to meet the national objective of benefiting LMI.

At the discretion of the Resilient SRQ Housing Recovery Program and based on the availability of funding, a non-LMI household with household income below 120 percent AMI may be considered for participation in the program under HUD's Urgent Need objective. Refer to Prioritization section of this Manual.

3.8.1 Adjusted Gross Income (AGI)

An AGI calculation will be completed for the household during the Eligibility Review stage. Applicants are required to provide the income for all household members 18 and older (verified against the application) and include all other family members to document the household composition using the most recently available data.

The income category will be documented based on the total household income and composition (household members). The AMI category must be documented (0-30, 31-50, 51-80, URG), using the current HUD income limits by area.

The income calculation will use the most recent HUD income limits for Sarasota County. These income limits will remain in effect until HUD issues income limits for the subsequent year. If an Applicant has completed an income determination before the new HUD income limits are published, they will not need to recertify their income.

If more than 12 months have passed since the initial income determination but no Agreement has been executed, the income will be re-verified prior to executing the Agreement with the homeowner.

3.8.2 AGI Income Calculation Methods

Consistent with HUD regulations, the Internal Revenue Services (IRS) Form 1040 definition of income is used for determining an Applicant's income eligibility for the CDBG-DR Program. The IRS Form 1040 method of calculating income is commonly called the AGI method.

This method is based upon the household's income as it is reflected on the household's most recently filed IRS 1040 Form(s), which takes the gross income of the household and incorporates deductions to reach AGI. Households must submit the most recent tax returns for all adult household members and/or documentation sufficient to show the income for all adult household members. The Program will utilize the most recent HUD Area Median Family Income (AMFI) data for the household size reported by the Applicant on their application to determine whether a household meets the LMI national objective.

A copy of the Applicant's and other household members' filed 2024 tax return (or most recent year as of the time of application) and proof of submittal to the IRS is the required method of income verification with the exception of the following:

- No Federal requirement to file a tax return
 - If there was no Federal requirement to file a tax return, Resilient SRQ Eligibility Specialists will use an alternative accepted proof of income for all household members over the age of 18. The earned income of minors, including foster children (under 18), is not counted. Unearned income attributable to a minor is included in the household income calculation (Examples include payments from trusts, stocks, bonds, etc., if the payments are taxable at the Federal level).

The Program may assist an Applicant in gathering information to determine household income, including the use of third-party tools or data-sharing agreements to verify income.

The following types of documentation are examples of acceptable income documentation for household members:

- Federal tax return
- IRS 1040 and proof of submittal
- IRS Tax Transcript Record of Account
- Two consecutive months of income statements
- Pension Statements with monthly or yearly amounts
- Social Security Statements with monthly or yearly amounts
- Unemployment benefits statement for two consecutive months
- Certification of veteran's pension and disability
- Employment verification letter/Offer letter if recently hired
- Letter of termination if recently unemployed

If a household member provides proof of a filed tax extension, the prior year's tax return may also be accepted.

In certain situations, some persons residing in the household are excluded from the income calculation. Those household members include:

- Foster children;
- Live-in aides that are not family members;
- Children of live-in aides;
- Unborn children;
 - Not considered in household size for income eligibility calculation; but are considered for bedroom count; and
- Children being pursued for legal custody or adoption who are not currently living in the household
 - Not considered in household size for income eligibility calculation; but are considered for bedroom count.

In determining the size of a household for the purposes of reporting income as part of this Program, HUD considers all persons who live in the same house but are not tenants to be household members. Household members may be a single family, one person living alone, two

or more families living together, or any other group of related or unrelated persons who share the same house.

A child who lives in the house at least 50 percent of the time and is named in a shared custody agreement can be included as a household member.

All income and deductions from household members 18 years of age or older and minors with taxable income will be considered when calculating income. Taxable unearned income includes, but is not limited to, social security benefits, interest, and dividends.

Applicants who are unwilling or unable to provide sufficient information to verify household income are deemed to have submitted an incomplete application. If an Applicant fails to provide complete income documentation, the Program may declare their application ineligible.

3.9 Conduct and Program Participation Expectations

To ensure the effective, respectful, and timely delivery of disaster recovery assistance, all homeowners, household members, and any authorized communication designees participating in the Resilient SRQ Housing Recovery Program are expected to adhere to the following standards when interacting with County staff, consultants, contractors, and subcontractors.

All homeowners, household members, and communication designees are expected to:

- Treat County and program staff, contractors, subcontractors, and vendors with respect and politeness.
- Communicate in a courteous, non-abusive, and non-threatening manner, both verbally and in writing.
- Comply with access requests and construction timelines in good faith and refrain from obstructing progress on authorized work.

Unacceptable behavior includes, but is not limited to a homeowner, household member, or communication designee engaging in:

- Use of threatening, profane, discriminatory, harassing, or aggressive language or behavior during any communications, site visits, or meetings directed at program staff or contractors.
- False accusations of fraud or misconduct without evidence.
- Physical threats, intimidation, or any behavior that creates a hostile environment.
- Intentional disruption or interference with construction activities, inspections, or communications.

If a homeowner, household member, or communication designee engages in prohibited conduct, the County reserves the right to:

- Issue a formal warning to the homeowner.
- Suspend work temporarily until a resolution is achieved.
- Require all future communications to occur in writing or through designated staff only.

- Terminate participation in the Program if the behavior results in delays, jeopardizes safety, or violates terms outlined in the Program Manual or any resulting agreements for program assistance.
- In the event of termination of participation in the program, this is considered an unappealable circumstances.

3.10 Household Size and Occupancy Standards

A household includes all persons that were living in the home when the initial application for assistance was submitted. However, the program may allow adjustments to household size based on changes that occur between the time of application and approval. For example, if a household member passes away, the household size may be reduced accordingly. If a child is born during that time, the household size may be adjusted. Total household size includes minors as well as adults (18 or older). If a household member is reasonably expected to live in the household more than 50 percent of the year during the compliance period, they should be included in the household composition. Applicants may include temporarily absent household members classified as household dependents, such as children attending college or household members in a nursing home. If the absent members are included, especially for specific cases where adult children in the household may result in additional bedrooms, their income and deductions must be included in Household AGI calculations.

Applicants may include permanently absent family members classified as household dependents, such as children attending college or a family member in a nursing home. The Applicant can either include them as a member of the household or determine that the person is no longer a member of the household.

3.10.1 Consideration for the Size of the Unit and Number of Bedrooms

In accordance with HUD guidelines, the minimum size of unit is based on anticipated household size and occupancy policies will allow for two persons per bedroom as reasonable. There should be no more than two persons per bedroom, and persons of different generations, opposite sex, and unrelated adults are not required to share a room. Related adults, such as brothers or sisters, are also not required to share a room. All persons over the age of 18 are considered adults.

Due to the County's interest in maintaining the local housing market economic stability, for projects with a Reconstruction feasibility, the program standard unit size for all Applicants will be approximately 1150 square feet for 3 bedrooms and 2 bathrooms. For households with 5 or more members the unit size will be approximately 1300 square feet for 4 bedroom and 2 bathrooms. Modifications to unit size will be considered by the Program for special circumstances such as familial status, property lot constraints, municipal ordinances, and financial hardships. Reconstructed properties will be either MHU, block-built, or stick built construction depending on the damaged property type, property lot ownership, municipal ordinances, and HOA restrictions, as funding budgets allow.

Household composition (bedroom count) must be locked in by the time the application is reviewed for construction feasibility. Once the feasibility is determined, the Program will not

consider requests to add or remove bedrooms, regardless of the potential change to the household composition. The Applicant retains the right to appeal this decision.

3.11 Fair Housing and Equal Opportunity Data Collection

In addition to meeting the National Objective, the Program must also attempt to collect demographic data relating to the household(s) receiving assistance. The Program collects this data in its application forms. If the household is unwilling to provide the requested demographic data, the household may refuse to provide this data by indicating that they declined to answer or by leaving the answers blank or selecting “refuse to answer”. Blank answers or a decline to answer selected option will be considered to be an indication that the Applicant declined to answer the question asked. If a household is unwilling to provide demographic information, the Program may still process the application.

3.12 Other Policy Considerations

3.12.1 Death of the Property Owner

In cases where one property owner died either before or after the identified 2024 storm and one or more of the remaining property owners meets all the requirements listed in this Manual, the remaining property owner(s) are eligible to receive assistance. If no remaining living property owner can meet all the Program’s requirements, then the application is not eligible to receive assistance. Estates are not eligible to receive assistance.

3.12.2 Power of Attorney

Applicant may submit a legally executed Power of Attorney (POA) designating another individual to act on their behalf. A copy of the POA will be saved in the system of record. The Program may rely on the submitted POA as documentation of authorization but does not interpret or validate its legal scope. Applicants may revoke the POA at any time by providing written notice to the Program.

3.12.3 Communication Designee

Applicants may authorize others as a “Communication Designee”, which will be captured in the system of record, to discuss Program requirements and their application status without requiring their presence. A Communication Designee may not alter or execute documents or make decisions for the Applicant. Applicants may revoke the rights of a Communication Designee at any time in writing, which will be captured in the system of record.

3.12.4 Incomplete Information

If an Applicant submits information not sufficient to allow the program to make an eligibility determination, they will be notified of the additional documentation required to process their application. This notification will be in writing and the homeowner will have the opportunity to correct or provide more information. Examples of this may include but are not limited to:

- Incomplete application due to missing documents and/or data;
- Information deemed to be inaccurate; or

- Refusal by homeowner(s) to sign required documents.

3.12.5 Potential Fraud

An Applicant's failure to disclose accurate information may delay the application process and could constitute fraud. Potential fraud cases are examined by the Program on a case-by-case basis.

3.12.5.1 Complaint Processes

Any person, including any employee of the CDBG-DR Program, who suspects, witnessed, or discovered any fraud, waste, or abuse relating to the CDBG-DR Program, should report it immediately by contacting CDBG-DR program staff or by emailing ResilientSRQ@scgov.net. Persons, internally working within the program as well as beneficiaries, and other persons can also anonymously report via Sarasota County's Fraud Hotline at 855-506-0304. This hotline is managed by an independent, outside reporting company. If a complaint is received directly by the CDBG-DR program staff, upon receiving, the CDBG-DR Program Managers or their designee will have the primary duty of analyzing the complaint. If the allegations have no grounds or are not supported by any documentation, the file will be documented and closed. If the CDBG-DR Program Managers or their designee determines the complaint is substantiated, they will turn over investigation to the Sarasota County Office of the Inspector General, the Sarasota County Sheriff's Office, or the appropriate regulatory agency. Instances of fraud, waste, or abuse of CDBG-DR funds will be forwarded to the United States Department of Housing and Urban Development Office of Inspector General (HUD OIG) Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov) as well as the Sarasota County Office of the Inspector General Fraud Hotline (phone: 1-855-506-0304).

3.12.5.2 Preventative Measures

Sarasota County is responsible for ensuring that the CDBG-DR Program actively works to prevent fraud, waste, and abuse and maintains compliance with all federal and state laws, which includes but is not limited to the following preventative measures:

- Require applicants to sign attestations confirming that the information they provide is true and accurate, with explicit warnings regarding penalties.
- Ongoing compliance with federal, state, and local regulations through review of the policies and procedures, project and beneficiary eligibility and award determinations, and program activity files.
- Verify the accuracy of information provided by establishing policies and procedures. These policies may include but are not limited to using third party data to verify the applicant's information and requiring attestations or certifications that the information provided is true and accurate. These policies are designed to mitigate and monitor the risk of fraud through the establishment of measures and detailed steps to manage the information and documents pertaining to each area and program.

3.12.6 Uniform Relocation Act

The Resilient SRQ Program has limited or no anticipated compliance obligations with regard to the Uniform Relocation Act since it is limiting its assistance to owner-occupied, single unit properties that do not contain rental units and participation in the Program is voluntary.

If it is determined that a renter lives in the home with the Applicant, that Applicant would not be eligible to continue in the program.

3.12.7 Method of Correcting Application

If an Applicant answers an eligibility question incorrectly or otherwise makes an incorrect certification on their application, a correction may be submitted by the Applicant and tracked in the system of record.

3.13 Ineligible Applicants

An applicant is ineligible if they do not meet the outlined eligibility criteria, do not receive environmental clearance, or the lot size or local ordinances do not allow for construction.

If an Applicant is deemed to be ineligible to participate in the HRP, a denial notification will be provided in writing with instructions on how to appeal the decision. The reason for the ineligibility determination will also be noted in the system of the record. The appeals process is described in the Appeals section of this Manual.

3.14 Communication Standards and Special Needs

Intake will be completed either in person or online. Additional accommodations may be provided on a case-by-case basis.

Program guidelines and other relevant information will be posted on Sarasota County's Resilient SRQ webpage. **Resilient SRQ can be reached at 941-861-5309** and the program general information email is info@resilientsrq.net.

All communication with an Applicant will be logged and maintained in the appropriate Applicant file within the system of record. Likewise, any communications received by other Program representatives should be entered in the appropriate Applicant file within the system of record.

3.14.1 Disability and Special Needs

The Resilient SRQ Housing Recovery Program's policy is to be inclusive when considering disability to support those in need with the repair of 2024 storms damaged homes. Resilient SRQ follows all Fair Housing and Equal Opportunity laws. Sarasota County is committed to providing all citizens with equal access to information about the recovery program, including persons with disabilities and/or special needs.

Title VIII of the Civil Rights Act of 1968, as amended, prohibits discrimination in housing based on race, color, religion, sex, national origin, familial status, or disability. The law also requires HUD to administer its programs in a manner that affirmatively promotes fair housing.

If an Applicant indicates a disability, an Eligibility Specialist will confirm the claimed disability for each household member by one of two methods:

- Written documentation indicating federal or state disability benefits:
 - Social Security Letter
 - Veterans Affairs Letter
 - Registered Parking Placard
- Medical Professional Certification of Disability

Information collected to verify a disability within the household is only collected and used for the purposes of identifying reasonable accommodations related to the repair and reconstruction of a 2024 storm damaged home. In some cases, where a disability is identified, an Eligibility Specialist may provide additional support or other services to better assist with completion of the Application Intake process. Disability information is not used to determine eligibility for any of the Resilient SRQ Housing Recovery programs.

3.14.2 Limited English Proficiency (LEP)

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

Under the five-year estimates for 2021 of the ACS, Sarasota County is 2.9 percent Spanish speaking with limited English proficiency. Based upon this assessment, CDBG-DR notices, outreach materials, and other vital documents will be made available in both English and Spanish.

Additional language assistance to LEP persons, to include Spanish and other languages, may include, but is not limited to:

- Oral interpretation services;
- Bilingual staff;
- Telephone service lines interpreter;
- Written translation services;
- Notices to staff and recipients of the availability of LEP services; and
- Referrals to community liaisons proficient in the language of LEP persons.

Request for any the above language assistance, outside of translation of notices, outreach materials, and vital documents into Spanish, may be submitted to ResilientSRQ@scgov.net and the County shall take reasonable steps to ensure that all citizens have equal access to program information, including persons with disabilities (vision and hearing impaired) and LEP individuals.

Program Applicants who identify themselves as non-English language speakers may designate a person with sufficient English proficiency to represent them in the application and overall process by completing and submitting a Communication Designee Form. The Program also has translation services available to effectively communicate with LEP persons.

3.14.3 Public Website

To provide the public with comprehensive information on the status of recovery activities, The Resilient SRQ Program has created a 2024 storms website, which can be found at: www.resilientsrq.net.

The Resilient SRQ Program website includes information about all of Resilient SRQ's programs, including but not limited to the HUD-approved CDBG-DR Action Plan, any action plan amendments, program availability, Quarterly Performance Reports (from the HUD DRGR system), policy and procedure manuals, procurement policies, the status of services or goods currently being procured (e.g., phase of the procurement, requirements for proposals, etc.), and other required and pertinent information.

3.14.4 Use of Social Media

Sarasota County uses social media platforms to notify residents when applications for CDBG-DR housing activities are open and when public hearings related to CDBG-DR plans or projects are scheduled.

Information is published on the County's official Facebook and X (formerly Twitter) accounts. Notifications may include announcements of program survey and application windows, critical deadlines, and updates on program milestones, such as home inspections, construction progress, and key turnovers.

Social media content is planned and scheduled through the "Loomly" social media management platform, and supported by communications plans developed and maintained by the Sarasota County Communications department.

4. Rehabilitation and Reconstruction Program

4.1 Overview and Program Cap

The County has allocated \$25 million to assist impacted homeowners by rehabilitating or reconstruction their home as a result of the 2024 storms.

The Rehabilitation and Reconstruction Program has the following caps:

| Program | Maximum Assistance (Cap)* |
|------------------------|---------------------------|
| Housing Rehabilitation | \$200,000 |
| Housing Reconstruction | \$310,000 |

*The maximum amount of assistance for eligible applicants for eligible expenses, after considering any DOB. The program may exceed this cap to account for applicants with documented extenuating circumstances.

The Program is not allowed to duplicate funds received from other sources such as homeowner's insurance, FEMA or the SBA. An analysis for DOB will be performed on all Applicants throughout the process as described in the DOB section.

Per HUD requirements, once an applicant submits an application to the Program, all work must stop. An application is defined as receiving an invite from the County to complete the full application, the initial survey is not defined as an application.

General housing activities allowed under CDBG-DR; Housing and Community Development Act Section 105(a)(1), 105(a)(3-4), 105(a)(8) 105(a)(11), 105(a)(18), and 105(a)(25), 24 C.F.R. § 570.201(g) include, but are not limited to:

- Single family owner-occupied rehabilitation and reconstruction
- Demolition
- Hazard mitigation
- Property Acquisition
- Other activities associated with recovery of impacted single-family housing stock

The Program will evaluate each individual property through an ISI and environmental review to determine the feasibility of rehabilitation or reconstruction and need for elevation if located in a Special Flood Hazard Area (floodplain).

4.2 Environmental Review – Rehabilitation and Reconstruction

Program activities funded by HUD must be environmentally cleared to proceed pursuant to the National Environmental Policy Act ("NEPA") and other federal, state and local environmental regulations which apply to the Homeowner Rehabilitation and Reconstruction Program. As the Program is CDBG-DR funded, compliance with environmental laws and regulations must be documented in a Site-Specific Environmental Review Record ("ERR") before the Program can provide assistance to an Applicant. Sarasota County is authorized by HUD to administer the 2024 storms CDBG-DR grant funds and functions as the Responsible Entity for environmental review purposes. The County has Site-Specific checklists (SSC) for the Resilient SRQ Housing Recovery Program. The SSCs are a result of the individual County-level Broad ERR and cover the required review topics as determined by location and scope of work. Important considerations include assessing ground disturbance or expansions exceeding 20%. The environmental review documents both completed work and future activities, ensuring compliance with federal guidelines before providing assistance from the Program.

4.2.1 Elevation Requirements

The assigned contractor must follow HUD guidance to ensure all structures, as defined in 44 CFR 59.1, designed principally for residential use and located in the FFRMS floodplain, that receive assistance for new construction, repair of substantial damage or substantial improvement, as defined at 24 CFR 55.2(b) (12), will be elevated with the lowest floor, to or above the elevation of the FFRMS floodplain. The assigned Contractor will provide elevation certificates for construction projects where necessary to comply with HUD's guidance. The Program will not engage in elevation activities as a standalone measure that is not connected to the repair damage caused by the 2024 storms.

Applicable state and local codes and standards for floodplain management that exceed these requirements, including elevation, setbacks, and cumulative substantial damage requirements, must be followed.

4.3 Duplication of Benefits (DOB) Gap Reduction

The County will ensure compliance with the Stafford Act through collection, analysis, and verification of third-party benefits received by Applicants for purposes of housing repairs. In the event that a DOB is identified for an eligible Applicant, the Applicant will be notified of the amount of the difference (gap) between the financial assistance previously received and the CDBG-DR eligible documented work completed (Allowable Activities). If the Applicant is able to provide payment for the DOB gap at the time of signing the Agreement, a non-interest bearing escrow account will be set up for the County to disburse funds from during the course of the construction.

In the event that the Applicant is not able to provide funds to cover the DOB gap, the County will strive to retain the Applicant in the program by offering alternative housing solutions of a lesser value in order to reduce the Applicant's DOB gap burden. To reconcile the DOB amount owed, the Applicant may be offered a modification of the scope of the rehabilitation or a reduction in the floor plan size (e.g., accepting lesser square footage or reducing the number of bedrooms or baths).

The calculation showing the DOB gap and the reduction in the scope of work will be clearly documented during the grant award process. For example, the program standard unit is a 3 bedroom, 2 bath home with 1,100 square feet with a total cost of \$300,000. A smaller 3 bedroom, 2 bath home with 1,000 square feet may have a total cost of \$250,000, a price difference of \$50,000. If the Applicant has a DOB gap of \$60,000, the gap may be reduced by \$50,000, leaving the Applicant required to provide \$10,000 in escrowed funds, rather than \$60,000. In some instances, all of the DOB gap may be removed by accepting a housing solution with a lesser value.

4.4 Flood Insurance Requirements

The County will use the most current FIRM maps available regardless of whether they are preliminary or adopted. If new maps are released in the future, the County will evaluate the appropriateness of updating the program standard.

Assisted property owners must comply with flood insurance requirements as specified in the Agreement. HUD-assisted homeowners for a property located in a Special Flood Hazard Area must obtain and maintain flood insurance in the amount prescribed by FEMA's NFIP. Per federal flood risk management protocol the 500 year floodplain may also be considered a special flood hazard area. Such assistance must be maintained for the "life of the property" and as per the Federal Register, "assisted owners must notify all future owners at the time of sale or transfer that they are required to obtain and maintain flood insurance in perpetuity." A Deed Restriction will be placed on the property, where applicable. Uninsurable properties, such as properties located over water or manufactured homes that are not affixed to a permanent foundation, will be unable to secure such coverage after assistance is provided and are therefore ineligible for the Program.

The County will not provide disaster assistance for the repair, replacement, or restoration of a property which has received federal flood disaster assistance that was conditioned on maintaining flood insurance in perpetuity, but such coverage was not maintained.

4.5 Rehabilitation of Conventional Construction Homes

The County has determined that Rehabilitation is allowed if the cost to repair the structure to bring it to livable standards under Sarasota County Resilient SRQ Construction Specifications Manual, local code, and HUD housing quality standards is less than sixty (60) percent of the replacement value of a comparable reconstruction unit, unless located in a Special Flood Hazard Area.

The County will conduct an ISI that will document needed repairs and any environmental mitigation needs for the property. Costs for eligible repairs are determined and documented through the use of Xactimate and based on the County's Minimum Construction Specifications Manual.

Homeowners whose homes have been rehabilitated are required to maintain ownership and primary residency of the assisted property for a compliance period of 2 years beginning on the date construction is completed, with a 50 percent reduction per annum. Hazard, flood (if applicable), and windstorm (when required by mortgagee) insurance must be maintained at the assisted property in accordance with the Agreement. Additionally, homeowners must agree to obtain and maintain flood insurance if they reside in a floodplain in accordance with the terms of the Agreement.

All rehabilitation activities must be in accordance with the HUD CPD Green Building Retrofit Checklist available at <https://www.hudexchange.info/resource/3684/guidance-on-the-cpd-green-building-checklist/>. These guidelines must be applied to the extent applicable to the rehabilitation work undertaken.

Eligible properties with \$5,000 or less in remaining repairs (inclusive of elevation requirements) will only be considered for participation in the Reimbursement Program for work already completed prior to the date of application submittal. Only those homes with greater than \$5,000 in remaining repairs will be considered for the Rehabilitation/Reconstruction Program.

4.6 Reconstruction of Conventional Construction Homes

Reconstruction is intended for eligible Applicants whose homes have been determined by the Program as infeasible for Rehabilitation. Reconstruction involves rebuilding a structure on the same site as the damaged dwelling. The number of dwellings on the property may not increase, although the number of rooms may change.

As defined by Sarasota County Resilient SRQ Action Plan, Reconstruction is allowed if:

- The cost to rehabilitate to a livable standard exceeds 60 percent of the comparable reconstruction costs, or
- The rehabilitation of the structure is technically infeasible

The County will provide standardized floor plans for use in Reconstruction projects based on the current occupancy needs of the homeowner and in consideration of the program standard unit size, building lot dimensions, municipal zoning requirements, and HOA requirements. Based on these considerations, the homeowner will be able to choose from limited options of elevations and floor plan configurations. No custom-designed homes are authorized. Mobility modifications may be considered to address reasonable accommodations and ensure accessibility as described in the Accessibility section of this Manual.

Due to the County's interest in maintaining the local housing market economic stability, the program standard unit size for all Applicants will be 1150-1200 square feet for three (3) bedrooms and two (2) bathrooms. For households with five (5) or more members the unit size will be 1270-1320 square feet, four (4) bedrooms and two (2) bathrooms. Modifications to unit size will be considered by the Program for special circumstances such as familial status, property lot constraints, municipal ordinances, and financial hardships. Reconstructed properties will be conventional construction depending on the damaged property type, municipal ordinances, and HOA restrictions, as funding allows.

Homeowners who receive assistance under this Program to have their home reconstructed, are required to maintain ownership and primary residency of the assisted property for a compliance period of 3 years beginning on the date construction is completed, with a 33-1/3 percent reduction per annum. Hazard, flood (if applicable), and windstorm (when required by mortgagee) insurance must be maintained at the assisted property in accordance with the Agreement. Additionally, homeowners must agree to obtain and maintain flood insurance if they reside in a floodplain in accordance with the terms of the Agreement.

4.7 Rehabilitation of Manufactured Housing Units (MHUs)

Only MHUs that have less than \$20,000 in rehabilitation costs will be recommended for rehabilitation. MHU rehabilitation pricing will be prepared using the same standards used in Rehabilitation of Conventional Construction structures. MHUs that are structurally sound, but have repair costs exceeding \$20,000 may be approved for Rehabilitation with approval of the Special Case Panel (SCP).

4.8 Replacement of Manufactured Housing Units (MHUs)

MHUs that have been declared infeasible for rehabilitation, the replacement housing solution will be a 3 bedroom/2-bathroom MHU of the same type, singlewide or double wide as the damaged unit, unless the household composition indicates a larger unit is required to avoid overcrowding, subject to County approval. Each model or type of home must be approved by the County prior to being utilized in the Program.

Applicants who own the land where the damaged MHU is or was located may request a stick-built or block-built home instead of replacing it with a new MHU. Applicants who previously leased the land or pad site where their replacement MHU on a newly leased site within the County. If an applicant who leased land has since vacated, canceled, or terminated that lease and owns land within the County, they may also request a stick-built or block-built home on their owned property. Such requests will be evaluated on a case-by-case basis.

MHU Replacement consists of the demolition, removal, and disposal of the storm damaged MHU, followed by foundation repair or elevation of the concrete pad. MHU installation must be completed by a Mobile Home Installer licensed by the Florida Department of Highway Safety and Motor Vehicles (FLHSMV) in the same footprint as the storm damaged MHU unless the program provides written approval to change the footprint.

The MHUs that are provided as replacements are HUD-certified to withstand wind zone III, which is sustained winds up to 110 mph. All MHUs will be installed in accordance with local building, wind

zone requirements, and zoning regulations. MHUs will be sourced and offered by the contractor in accordance with size and configuration guidance. Applicants will be permitted to select from a prequalified list of MHUs. After installation of the MHU and all ancillary items is complete, the project must pass a final inspection.

4.9 Construction Standards

All CDBG-DR Rehabilitation and Reconstruction projects must meet, at a minimum, HUD's Housing Quality Standards (HQS) as detailed at 24 CFR 982.401 at completion, as well as all applicable local codes and ordinances and the Resilient SRQ Housing Recovery Program's Minimum Construction Specifications Manual.

In addition to providing safe, sanitary, and secure housing, construction must pass all required inspections performed by the local building department or private provider in accordance with Florida Statute 553.791 and, when applicable, fire prevention and fire safety code inspections. All construction is required to pass quality assurance and quality control inspections over the lifespan of the project. The number and frequency of the inspections performed are at the discretion of the Housing Recovery Program.

The County will oversee the construction process for the rehabilitation or reconstruction of 2024 storms damaged homes on behalf of homeowners. An Agreement will be executed between the County, the homeowner(s), and the implementation vendor for the rehabilitation or reconstruction of their damaged property. Construction services will be provided through contractors that have been vetted to meet Program standards regarding quality of materials and construction experience and knowledge, customer service, insurance and bonding, references, warranty services, and pricing. The County or designee will assign one of the previously procured construction contractors to each homeowner. The Agreement will contain the project scope of work developed by the County, as well as incorporating the Program requirements and expectations.

In general, construction work completed for the Housing Recovery Program will be completed to the specifications included in the Sarasota County Minimum Construction Specifications Manual, using standard builders' grade materials confirmed to be available from suppliers within Sarasota County. Exceptions have been made for materials that may provide better energy efficiency, improve resiliency, or mitigate future damage. Requests for upgrades, additions, or modifications regarding construction scopes of work will not be considered. Applicants may not pay out-of-pocket for upgrades, additions, or modifications concurrent with Program funded construction.

The Program will integrate consistent and standardized construction practices for all construction contractors operating within its jurisdiction. All contractors must adhere to legal requirements and hold valid licenses and registrations. Moreover, they will be obligated to maintain the necessary licenses and insurance coverage for their work while also offering a warranty period for all completed projects. Contractors are required to complete all construction activities in accordance with local and state building codes. Contractors are responsible for determining which permits are required and for acquiring those necessary permits to complete the approved scope of work from the authority having jurisdiction for code compliance in the location where the construction project is located. Contractors must demonstrate code compliance in order to pass a program final inspection. For reconstruction or MHU replacement projects, code compliance will be confirmed via a Certificate of

Occupancy (or equivalent), issued by the authority having jurisdiction. For rehabilitation projects, code compliance will be confirmed via Certificate(s) of Completion, as applicable, issued by the authority having jurisdiction. Certificate(s) of Completion issued for rehabilitation projects may vary, depending on the SOW completed by the Program.

Only CDBG-DR-eligible activities that align with HUD National Objectives, comply with regulatory guidance, and incorporate best practices will be considered for funding.

While not required by HUD, the Program will incorporate sustainability principles into all construction activities, prioritizing aspects such as water and energy efficiency, resilience, and protection against future disasters. The County will follow either the ICC- 700 National Green Building Standards or the Florida Green Building Coalition Standards to meet the Green and Resilient Building objectives. Additionally, the County will apply the Energy Star Certified Homes Program standards to meet the Minimum Energy Efficiency standards. All rehabilitation projects will follow the policies and procedures specified in the HUD Community Planning and Development (CPD) Green Building Retrofit Checklist. Non-substantially damaged rehabilitation projects will follow to the extent applicable.

Contractors must follow the HUD CPD Green Building Retrofit Checklist available at <https://www.hudexchange.info/resource/3684/guidance-on-the-cpd-green-building-checklist/>.

4.10 Reasonable Accommodations

If an Applicant requests reasonable accommodations and is approved by the Program, the accessibility requirements at 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) will be met.

Applicants have the opportunity to inform the Program of any reasonable accommodation needs prior to the development of the final scope of work (SOW). The SOW for Applicants with duly approved mobility or accessibility modification requests may include items associated with the approved reasonable accommodation(s). These may include features such as widened doorways, ramps, grab bars, or other elements necessary to ensure accessibility. To be considered for inclusion in the SOW, the Applicant must submit a Reasonable Accommodation Request Form and provide any required supporting documentation demonstrating the need for such accommodations. The Program will evaluate each request for reasonableness and necessity in accordance with applicable regulations and program policy.

4.11 Eligible and Ineligible Rehabilitation and Reconstruction Expenses

Minimum standards and specifications for construction are contained in the County's Resilient SRQ Housing Recovery Program's Minimum Construction Specifications Manual. Information regarding eligible and ineligible construction expenses is provided in the ISI and Scope Development section of this Manual.

4.12 Inspections

To ensure homes are repaired or rebuilt safely and in alignment with program requirements, all construction projects funded by the Resilient SRQ Housing Recovery Program must undergo a series of inspections.

- Rehabilitation Projects will be inspected at the 50% completion point and again at final completion.
- Reconstruction Projects will be inspected at the 33%, 66%, and final completion milestones.

These inspections are conducted by the Program to confirm that construction is progressing according to the approved scope of work and that the work meets acceptable quality standards. Please note that Program inspections are separate from and do not replace any required local or municipal code inspections. It is the contractor's responsibility to schedule and coordinate all required municipal inspections to ensure permits are properly closed and to obtain the final certificate of occupancy or completion, as required by local authorities. A representative of the contractor must be present at each Program inspection. Projects must pass each progress inspection before a final inspection can be scheduled. Additional inspections may be conducted as needed to ensure compliance or confirm correction of deficiencies. However, the Program will make every effort to minimize disruption to the homeowner and will communicate in advance when additional inspections are required.

4.13 Warranty

All projects receiving construction assistance through the Resilient SRQ Housing Recovery Program will include warranty protections to ensure that homeowners receive safe, quality repairs or reconstruction. Warranty terms vary by project type as outlined below:

4.13.1 Rehabilitation Projects

For homes that receive rehabilitation assistance:

- A one (1) year limited warranty is provided by the contractor.
- This warranty covers workmanship and materials included in the Program-approved scope of work.
- Homeowners should report any defects or issues to the assigned contractor within the warranty period.

4.13.2 Reconstruction Projects

For homes that are reconstructed:

- A one (1) year limited warranty is provided by the contractor covering all workmanship and materials.
- In addition, the contractor must provide a third-party extended warranty which includes:

- Two (2) year mechanical systems warranty (covering HVAC, plumbing, and electrical systems), and
- Ten (10) year structural warranty (covering foundation and major load-bearing components).
- Copies of the third-party warranty documents will be provided to the homeowner upon project completion.

4.13.3 MHU Replacement Projects

For projects involving the replacement of a mobile or manufactured home:

- A one (1) year limited warranty will be provided by the contractor, covering workmanship and materials related to the installation and setup of the unit.

Homeowners are expected to perform routine maintenance and maintain adequate home insurance coverage as a condition of warranty coverage. Warranty issues must be reported within the coverage period and will be addressed according to the timelines outlined in the contractor's warranty letter.

To comply with HUD requirements, the Program will implement a formal warranty notification process through the system of record. Homeowners will receive written reminders via the email address provided at the time of application, including a notice approximately one month prior to the expiration of their one-year warranty period. This ensures beneficiaries are informed and have an opportunity to report any warranty issues within the coverage timeframe.

5 Temporary Housing and Storage Units

5.1 Temporary Housing

Eligible applicants participating in Sarasota County's Resilient SRQ HRP who are required to vacate their home during Program construction will be notified of the move out date and any other pertinent information. The Program expects Applicants to secure temporary housing away from the site of the damaged property during the period of repairs or reconstruction. . Once construction is complete and a Certificate of Occupancy or Completion has been issued, if applicable, the Program will notify the Applicant . The Program is NOT responsible for the Applicant's moving expenses, such as hotel/rental stays, moving company, moving supplies, or other relocation-associated expenses.

5.2 Storage Units

Depending on the scope of work and as specified on the work order, the Program may provide assistance for the cost of storage unit(s) to temporarily store personal belongings during construction. Assistance may cover storage costs for a maximum of one month prior to the start of construction, the full duration of construction activities, and a maximum of one month post completion of construction as indicated by the Notice to Move-in and receipt of the Certificate of Occupancy/Completion (as applicable).

The Applicant is solely responsible for any additional time the storage unit(s) is/are used. While the Program will assist in coordinating a payment structure for the storage units; the storage unit contract must be between the storage unit company and Applicant. The Program nor its vendors will be a party to the storage unit agreement.

The Program is NOT responsible for the Applicant's moving expenses, such as, moving company, moving supplies, or other relocation-associated expenses.

6 Homeowner Reimbursement Program

6.1 Overview and Funding Cap

The County has allocated \$8.3 million to assist impacted homeowners by providing reimbursement for eligible home repair, elevation, and reconstruction expenses that were incurred due to the damage from the 2024 storms.

The Homeowner Reimbursement Program will provide up to \$50,000 in reimbursement to eligible LMI homeowners that incurred "out of pocket" expenses for repairs performed in association with their 2024 storms recovery. An expense is "incurred" when a homeowner spends money on performing repairs to their home. Pursuant to HUD Notice CPD-15-07 issued September 15, 2015, and Universal Notice, Docket No. FR-6489-N-01, only costs that are actually paid prior to the Program application date are eligible for reimbursement, regardless of the date of any construction contract that the homeowner may have executed.

The Program is not allowed to duplicate funds received from other sources such as homeowner's insurance, Federal Emergency Management Agency (FEMA) or the Small Business Administration (SBA). An analysis for Duplication of Benefits (DOB) will be performed on all Applicants throughout the process as described in the Duplication of Benefits section of this Manual.

In accordance with HUD requirements, only expenses incurred by Applicants prior to the date of their application to the Resilient SRQ Housing Recovery Program may be considered for reimbursement. Additionally, such expenses must have been incurred within two (2) years of the applicability date of Sarasota County's initial Allocation Announcement Notice (AAN) which was January 21, 2025. Reimbursement is limited to eligible work performed and fully paid for prior to the Program application date, and all such costs must meet applicable federal requirements for allowability, reasonableness, and documentation.

All Applicants must declare on their application (and subsequent supporting documentation and attestations) the amount of funds they have expended for performing 2024 storms related repairs on their home. All repairs noted on the application and repairs identified during the ISI phase will be documented on the Repair Completion Verification (RCV) report and photographed by an Inspector in accordance with the inspection protocols contained in this Manual.

An Applicant participating in the Reimbursement Program may also participate in the Rehabilitation and Reconstruction Program if additional repairs or construction to the home exceed \$5,000.

The homeowner will be reimbursed for Program eligible expenses which exceed the value of all other benefits received for those activities. The value of a homeowner's Program eligible expenses shall be the lesser of:

- The value of eligible repair costs for which the Applicant can attest to as having occurred pre-Program application, or
- Their Xactimate® (Xactimate) cost estimate provided in the Repair Completion Verification (RCV) report developed by a trained Program inspector, or
- \$50,000 (the Reimbursement cap as approved in the County's Action Plan)

6.2 Reasonable and Necessary Costs

Only work performed prior to the date of application is eligible for reimbursement. All work must be for items that are deemed "reasonable and necessary" for federal funding, as determined by the County. During the ISI, the Program will inspect, document, and value all homeowner-reported repairs that were completed to the Applicant's home. This valuation will serve as the basis for the determination of the Applicant's reimbursement amount to limit the Program's risk of reimbursing Applicants for unreasonable, unnecessary, or fraudulent expenses that were submitted as receipts or invoices. The reimbursed value of repair work will be limited to the cost of achieving minimum construction standards, as contained in the Program's Minimum Construction Specifications Manual.

The County, at its discretion, may allow materials that exceed the program standard if repairing a higher quality item is more cost effective than replacing the item with a program standard item, or where using a standard specification would lead to additional required work.

To ensure the necessary and reasonableness of costs, during the ISI, the County will utilize Xactimate, an industry-wide construction cost estimating software tool that accounts for the location of the home, incorporates monthly pricing updates, and accounts for variances in regional pricing present in the disaster-impacted area.

The results of the ISI will be documented and provide an estimated value for all repairs that were completed in all living areas of the home and the exterior of the home. The program shall require proof of permitting and inspection for any reimbursable repair activity for which a permit is required. Any completed work that required a permit but was not used or didn't receive final inspection clearance will not be reimbursable. In cases where it is unclear whether a permit was required, the Program shall have discretion to determine permitting requirements based on the scope, nature, and extent of completed work. This determination may include consulting with the building department having jurisdiction. The Program may also remove specific line items from reimbursement consideration if the work performed clearly requires a permit, such as roofing, HVAC replacement, rewiring of a home, major plumbing and no proof of permitting or inspection is available.

6.3 Continuing Work after Submittal of Program Application

The County is restricted by HUD requirements from providing reimbursement for work performed after the submission of application. Any work performed after submission of the program application cannot be reimbursed by the Program.

6.4 Environmental Review – Reimbursement Program

Program activities funded by HUD must be environmentally cleared to proceed pursuant to the NEPA and other federal, state and local environmental regulations which apply to the Homeowner Reimbursement Program. As the Program is CDBG-DR funded, compliance with environmental laws and regulations must be documented in a Site-Specific ERR before the Program can provide reimbursement assistance to an Applicant.

Sarasota County is authorized by HUD to administer the 2024 storms CDBG-DR grant funds and functions as the Responsible Entity for environmental review purposes. The County has provided SSC for the Resilient SRQ Housing Recovery Program. The SSCs are a result of the individual county-level Broad ERR and cover the required review topics as determined by location and scope of work. Important items to consider for reimbursement include gathering information for completed work to determine where ground disturbance occurred (e.g., elevation, reconstruction, sewer/septic repair) in a new area on the original parcel, or the original footprint if the work exceeds the 20 percent expansion threshold.

The environmental review is required to document previously completed work and consider any future proposed activities (rehabilitation or reconstruction), if applicable. The environmental review for eligible activities that have been completed prior to the release of CDBG-DR funds is more limited in scope since the physical action has already taken place. For activities that have already been completed, the County will conduct a tiered review describing the scope of activities being funded and analyze the impact of funding activities that have already occurred. In accordance with HUD guidance, CDBG-DR funds cannot be used to reimburse any activity that occurred between the date of application and the issuance of environmental clearance. Only program eligible work performed prior to the date of the Program application will be considered for reimbursement, provided that the work is included in the environmental review.

To complete the environmental review process, the Program will perform a Site-Specific review of the home and complete the appropriate site-specific checklist. The completed checklist is then reviewed by the Program's Certifying Officer for final quality check and approval prior to the release of funds.

6.5 Reimbursement Program Options

All Applicants for the Resilient SRQ Housing Recovery Program will be considered for eligibility for all program activities, including Rehabilitation, Reconstruction, and Reimbursement. Homes located in a Special Flood Hazard Area that were substantially damaged or were reconstructed and are not elevated in accordance with the Reimbursement of Elevated Homes section of this Manual will not be eligible for reimbursement funds.

6.5.1 Reimbursement Only

6.5.1.1 All Repairs Complete

Upon completion of the ISI, if all repairs have been completed including any required elevation due to substantial damage or improvement within a floodplain (if applicable and as verified with an as-built final elevation certificate), the Program will reimburse homeowners the lesser of:

- The full value of eligible repairs and elevation minus the value of duplicative benefits received, or
- A maximum award of \$50,000.

6.5.1.2 Remaining Repairs under \$5,000

Upon completion of the ISI, for eligible properties with \$5,000 or less in remaining repair costs including any required elevation due to substantial damage or improvement within a floodplain (if located in a Special Flood Hazard Area and as verified with an as-built final elevation certificate), the Applicant may be required to complete minor HQS to include but not limited to smoke detectors, GFI outlets to ensure conformance before awarding the lesser of:

- The full value of eligible repairs and elevation as determined after ISI minus the value of duplicative benefits received, or
- a maximum award of \$50,000

The Program will verify completion of the completion of any required HQS prior to reimbursing the Applicant. The Program reserves the right to verify the completion of repairs with an additional inspection.

6.5.1.3 Reimbursement for MHUs

Expenses related to the repair or replacement of an eligible damaged MHU may be eligible for reimbursement. MHU repairs will be valued and documented as if the Program was evaluating repairs made to a stick-built home, in accordance with Xactimate pricing or approved non-unit priced items.

Reimbursement for the replacement of an MHU is only available if the replacement MHU has a date of manufacture within ten (10) years of the date of application. The Program will verify the date of manufacture using the Sarasota County Property Appraiser's website, the unit's data plate, or photographic documentation. This ensures that the Program is only reimbursing Applicants for MHUs that were purchased in new condition after the 2024 storms or used MHUs that were no more than ten (10) years old as of the date of application. Purchase of MHUs on alternate sites to alleviate flood plain concerns will be considered on a case-by-case basis. The results of the manufacture date search will be retained in the Applicant's file.

6.5.2 Reimbursement Plus Rehabilitation

Upon completion of the ISI, if an eligible property is found to have \$5,000 or more in remaining repair costs, the homeowner must accept Rehabilitation assistance as a condition of receiving reimbursement of repair expenditures incurred prior to program application. Applicant may be eligible to receive up to a maximum award of \$50,000 for eligible repairs incurred prior to

submitting a Program application after consideration of all potential duplicate sources of benefit.

For Applicants with remaining unmet repair needs, the Program will assign a contractor from its previously procured process. Applicants must abide by all rules and provisions of the Rehabilitation program. If the Program identifies a DOB gap during the award process, the Applicant will be notified. The Program will adjust the reimbursement award accordingly to reduce the DOB gap. Any remaining DOB balance must be paid by the Applicant and deposited into a non-interest bearing escrow account established by the County at the time the Agreement is signed. Any reimbursement funds remaining after the DOB gap is filled will be issued to the homeowner upon completion of rehabilitation activities and in accordance with the Agreement.

Applicants may not choose reimbursement as a standalone option. If an eligible Applicant has remaining unmet repair needs as determined by the Program, participation in the Rehabilitation Program is required as a condition of receiving reimbursement. The Program is designed to address both completed and outstanding repairs to ensure homes are safe, sanitary, and resilient in accordance with HUD requirements and Program standards.

6.5.3 Reimbursement Plus Reconstruction

For Applicants with remaining unmet reconstruction needs, the Program will assign a contractor from its previously procured process. Applicants must abide by all rules and provisions of the Reconstruction program. If a DOB gap is identified during the award process, the Program will apply the approved reimbursement amount to offset the DOB obligation. Any remaining DOB balance must be deposited by the Applicant into a non-interest-bearing escrow account established by the County prior to the start of construction. In the event the Applicant is unable to provide the full DOB gap amount required for reconstruction, if feasible the Program may offer an alternative housing solution of lesser value to reduce or eliminate the Applicant's financial burden. This may include a reduction in the floor plan size (See DOB Gap Reduction Section of this Manual) to lower the total construction cost. The revised scope will be developed based on Program standards and site feasibility and will be clearly documented during the grant award process. Once all reconstruction work is complete and program obligations are met, any remaining reimbursement funds will be disbursed to the Applicant, in accordance with the terms of the Agreement.

Applicants may not choose reimbursement as a standalone option. If an eligible Applicant has remaining unmet needs as determined by the Program, participation in the Reconstruction Program is required as a condition of receiving reimbursement. The Program is designed to address both completed and outstanding repairs to ensure homes are safe, sanitary, and resilient in accordance with HUD requirements and Program standards.

6.5.3.1 Structure Not Demolished

Upon completion of the ISI, if the Program determines Reconstruction is the housing solution and the damaged home (including MHUs) is still standing and can be safely inspected, the Applicant may be eligible to receive up to a maximum award of \$50,000 for eligible repairs incurred prior to submitting a Program application after consideration of all potential duplicate sources of benefit.

6.5.3.2 Structure Demolished

Upon completion of the ISI, if the Program determines Reconstruction is the housing solution and the damaged home (including MHUs) has been demolished, the Applicant may be eligible to receive up to a maximum award of \$50,000 for eligible repairs incurred prior to submitting a Program application after consideration of all potential duplicate sources of benefit. Applicants must provide documentation if requesting reimbursement of any funds spent on a structure that has been demolished. This may include a contract, demolition invoice, or other verifiable proof of payment.

6.5.4 Non-Unit Priced Items

If the Program determines that pricing for an item of work has not been priced in Xactimate, the Program will treat that item of work as a non-unit priced item (NUPI). The majority of NUPIs will likely be found during the assessment of homes that include work related to elevated foundations, including the elevation of an existing structure, the reconstruction of an elevated structure or the replacement of a MHU. If it is expected that the Program will encounter the item repeatedly during site visits, the Program may develop composite pricing that can be utilized each time the NUPI is encountered. NUPI's may be priced using the following methodologies:

- The Program may develop its own pricing using alternative cost-estimating tool such as RSMeans. Such pricing must be documented prior to use.
- The Program may develop its own pricing using pricing obtained from three (3) or more construction contractors located within the State of Florida. Such pricing must be documented prior to use.

6.5.5 Maximum Repair Grades

Xactimate price lists provide several choices related to the quality of materials factored into the cost of a specific component or repair. These line items are typically identified using one of the following terms incorporated into an item description: standard, average, high-grade, premium, deluxe, etc. To prepare a necessary and reasonable cost estimate, completed repairs will be valued using the lesser of the two following options:

- The actual grade of materials installed OR
- The quality determined by the Minimum rehabilitation standards document

6.5.5.1 Exceptions

The County, at its discretion, may allow materials that exceed the program standard for partial repairs. This may occur when repairing a portion of a higher quality item is more cost effective than replacing the entire item with a program standard material. For example, a small repair of a hardwood floor would be more cost effective than removing the entire floor and replacing it with program standard flooring.

6.5.6 Homeowner Declaration/Attestation

During the application process, Applicants are required to complete an Expenditure Certification Form, which identifies the cost of completed repair work and affirms that the Applicant possesses supporting documentation verifying both the amount and timing of the expenditures. The Program's ISI and subsequent development of the RCV report serve as independent validation of the scope and quality of the work completed prior to the date of application.

Applicants must retain proof of payment and supporting records, in accordance with 2 CFR § 200.334, for a period of at least five (5) years after reimbursement payment is made or construction is complete. Documentation must reasonably align with or exceed the Program's RCV or the amount reimbursed by the Program. The Program may request this documentation at any time within the five (5) timeframe to confirm eligibility and compliance with federal requirements.

6.6 Reimbursement of Elevated Homes

The ISI will contain a determination of whether the Applicant's home was elevated or reconstructed after the 2024 storms. If a home was elevated or reconstructed and the home is located within an area where elevation is required, typically referred to as a "Special Flood Hazard Area" or SFHA, the Program will verify that it was properly elevated by reviewing the post-construction elevation certificate that was completed by a licensed professional.

The Program requires that reconstructed or substantially damaged homes located in the SFHA be elevated in compliance with the published floodplain management regulations (24 CFR Part 55) following an approach based on the Federal Flood Risk Management Standard (FFRMS). The FFRMS allows the use of a Climate Informed Science Approach (CISA), a 500 year floodplain approach, or a Freeboard Value Approach (FVA) as a means to determine elevation requirements. If the elevated or reconstructed structure is located in a V-Zone, the Applicant must provide a letter from their architect or construction contractor stating that the home was constructed using V-Zone compliant building standards and materials. There are no minimum elevation requirements for Applicants who voluntarily elevated their homes if such homes are located outside of an FFRMS defined area, however those costs are not eligible for reimbursement.

6.7 Eligible and Ineligible Expenses

The Program will categorize expenses valued during the ISI phase for the purposes of determining a homeowner's eligible reimbursement amount, to identify ineligible expenses, and to verify that all construction costs are both reasonable and necessary. All funds and awards are subject to a DOB analysis. Information regarding eligible and ineligible construction expenses is provided in the ISI and Scope Development section of this Manual.

7 Initial Site Inspection (ISI) and Scope Development

7.1 Overview

The Resilient SRQ Housing Recovery Program will conduct site inspections on single family homes to observe, photograph, and quantify existing damage as well as repairs that may have been performed after 2024 storms. Xactimate® software shall be used to determine both the fair value of any storm related damage repair which occurred prior to the date of the ISI and the programmatic cost to complete repairs on the home to meet the Program's Minimum Construction Specifications, HUD's Housing and Quality Standards (HQS), local code requirements, hazard abatement, and all program standards including resiliency measures.

The ISI incorporates several activities in a single site visit:

- Verification that there is evidence that the Applicant's home was damaged by the 2024 storms.
- The validation of work reported as complete by the homeowner;
- An assessment of all future work required to bring the home into compliance with local code and HQS;
- Collection of required data for the completion of the Environmental Tier II report; and where necessary,
- Testing for the presence of Lead, if required pursuant to 24 CFR Part 35.

Following the ISI, the data collected will be used to create a rehabilitation scope of work or review the repairs that were made prior to the applicant's application and if any remain outstanding, the value of which will be used to determine if the home continues in the program as a rehabilitation or reconstruction project.

7.2 Safety

Inspectors shall make their best effort to photograph and assess the following areas without putting themselves in harm's way or at risk. Where possible inspectors may reach in to collect photos while remaining in a safe area. Areas of a home that require an inspector to enter a confined space shall be determined to be inaccessible.

Examples of such areas may include but are not limited to:

- Attics only accessible through a scuttle hole,
- Crawl spaces with less than 2 feet of vertical clearance, etc.

Areas in or around a home that are considered unsafe may include but are not limited to:

- Any property marked as "Condemned" by a locality,
- Any area of a home that has no subfloor in place, or has soft/weak flooring or subflooring,
- Areas that have structural components penetrating the normal living space.

Inspectors shall use discretion when inspecting homes with significant clutter and will avoid touching or disturbing homeowner's possessions. In some instances, the homeowner may be requested to remove clutter for the inspection to occur. Dogs, snakes, and other pets may represent a danger to an

inspector. Homeowners will be asked to remove or secure their pets prior to inspection. Inspectors shall use their discretion when entering any area with a visible rodent or insect infestation as these represent potential disease vectors.

7.3 Eligible Costs

Work completed prior to submission of the Program Application may be deemed eligible for program funding when the work performed was for the purpose of repairing the home to a habitable standard defined by HUD's Housing Quality Standards, or to make temporary repairs in an effort to prevent further damage to the dwelling. Eligible work includes material and labor costs associated with performing repair work at the eligible address.

Some completed work may have limited eligibility in that it may be used to reduce the value of insurance proceeds considered in the DOB calculation (further described in the DOB section).

7.3.1 Work Required to Complete Rehabilitation of the Home

Eligible costs/work includes items needed to:

- Repair storm damage
- Correct HQS deficiencies
- Abate hazards, and
- Bring areas of repair into code and/or floodplain compliance.

7.4 Ineligible Costs

Ineligible Costs include the price differential between the value of program approved materials as listed in the Minimum Construction Specifications Manual and the price of enhanced items installed by a homeowner or their contractor. Other items that represent ineligible costs are specified later in this section.

7.5 Initial Site Inspection Process

7.5.1 Total Loss Validation

In specific circumstances a home may be declared a Total Loss at the time of ISI. Some of these circumstances may include but not be limited to; the home no longer exists at the site, the home is off its foundation, extensive roof damage that has allowed rain and weather inside the structure for a prolonged period, excessive mold and damage to framing members, etc. These homes will not be considered as feasible to Rehabilitate and will automatically be deemed Reconstruction projects.

7.5.2 Repair Completion Verification (RCV)

During the application phase, Applicants complete an Expenditure Certification Form which provide details of work they already performed on the home following damage from 2024 storms but prior to program application. The ISI inspector will have documentation of all the homeowner's reported repairs and will capture evidence, including photos, of their completion while on site. When the homeowner's reported repairs cannot be validated, the inspector shall

report that as well by documenting the reported activity with note and a zero-dollar value. See section 6. for more information on the reimbursement process.

7.5.3 Damage Inspection

While on-site, the inspector will document all existing damage, code violations, and deficiencies as per HUD HQS. The damage inspection includes completion of an HQS checklist, exterior and interior photographs of all areas of the home, measurements of all rooms, and a sketch of the home. This data will be aggregated in Xactimate® Software to generate a preliminary damage estimate commonly referred to as the Estimated Cost of Repair or ECR. Where possible, photos will support each line item of scope and measurements will be used to justify quantities.

7.5.4 Tier II Environmental Review Data Collection

To eliminate the need for multiple field visits, all data and photographs needed for the Tier II Environmental Review will be captured during the ISI. Inspectors are trained in this data collection and will populate forms that are provided to the Environmental Specialist who will complete the Tier II report.

7.5.5 Lead Based Paint Testing

HUD's Lead Safe Housing Rule (24 CFR Part 35) requires that all homes with more than \$25,000 in HUD assistance identify and abate all lead hazards. For homes receiving between \$5,000 and \$25,000 of assistance, all lead hazards must be identified and controlled through "interim controls". For all homes built prior to 1978 that are participating in the Rehabilitation Program, Sarasota County will perform a Lead Based Paint Risk Assessment. Where possible, this inspection shall take place at the same date and time as the ISI to minimize disruption to the homeowner.

All projects must comply with the lead-based paint requirements of 24 CFR Part 35, Subparts A, B, J, K, and R. A Lead Risk Assessment will be performed and provided to the assigned contractor for all homes constructed prior to January 1, 1978. If any hazards are identified, the scope of work will contain line items specific to the required abatement activity and any necessary cleaning. It is the responsibility of the contractor to use certified abatement contractors or Renovation Repair and Painting (RRP) certified contractors as required to abate, clean, and provide clearances. Any abatement scope must be performed, and an interim clearance provided prior to general rehabilitation work. After rehabilitation is complete, proof of a Lead final clearance must be provided to the County.

To be compliant with OSHA workplace safety requirements, the contractor is required to identify any presumed asbestos containing material (PACM) and perform testing on those materials if the scope of work would cause them to be disturbed or become friable.

7.5.6 Well Water Testing

Homeowners that rely on a private well for drinking water may have had that well contaminated either directly by the storm event or by disturbing the area during construction processes. To ensure private well owners have access to a safe water source, the County will collect data from these homeowners to determine if there is a potential problem with the water supply. If a

homeowner indicates any issue with the smell, or taste of the water, cloudiness or carbonation, the County will have testing done before the repair or reconstruction activities have concluded.

8 Special Flood Hazard Areas and Substantial Damage

8.1 Substantial Damage

A determination of “substantial damage” applies to a damaged home in a Special Flood Hazard Area, regardless of the cause of damage, where the community participates in the NFIP. Typically, when damage to a home in the SFHA exceeds 50 percent of the value of the home, the locality issues a Substantial Damage Determination. Upon the Substantial Damage designation, a home must be made compliant with local floodplain management regulations, generally through elevation of the structure. The cost of elevation will be added to the Program’s scope of work for all substantially damaged homes.

8.2 Substantial Improvements

The term substantial improvement carries the same implications of substantial damage but is determined in a different fashion. If a homeowner does not have a Substantial Damage determination, the home may still be required to become compliant if the value of the permitted repairs exceed 50 percent of the structure’s value and the home is within the Floodplain. This may be true even if the current identified repairs are less than 50 percent because localities have flexibility to aggregate the value of all repairs over a period of time that they define.

8.3 Substantially Damaged or Substantial Improvement Elevation Requirements

A designation of Substantially Damaged or Substantial Improvement will require compliance with floodplain regulations. Refer to Elevation Requirements section of this Manual for requirements.

8.4 Rehabilitation Scope of Work

Once the results of the Lead Based Paint Risk Assessment and the Tier II Environmental Review are available, the ECR will be updated with any Lead, Environmental, or Elevation scope. This final rehabilitation document shall be known as the Final Scope of Work (SOW) which is an Xactimate produced report. The Scope of Work is used to determine feasibility and will become a construction document if the home remains as a rehabilitation project.

8.4.1 Rehabilitation Eligible Construction Activities

The costs of the following items are included in the rehabilitation scope and must fall within the program caps as identified in the Action Plan and this Manual.

- All identified damages that can be reliably tied back to the storm.
- All identified code violations.
- Any relevant lead abatement.
- Any required elevation.
- Any reasonable accessibility accommodations.

8.5 Feasibility of Rehabilitation vs Reconstruction

8.5.1 Feasibility Threshold Values

Once a Scope of Work has considered all eligible factors, the cost of rehabilitation shall be compared to the cost of a replacement home for which the Applicant is eligible. If the cost of Rehabilitation is greater than 60 percent of the cost of a replacement home (defined below), the recommendation will be Reconstruction. If the cost of rehabilitation is less than 60 percent of the cost of the replacement home, the recommendation will be Rehabilitation.

8.5.2 Feasibility Calculation detail

Home proceeds as a Reconstruction if $\frac{\text{Cost of Rehabilitation}}{\text{Cost of Reconstruction}} > .60$

Home proceeds as a Rehabilitation if $\frac{\text{Cost of Rehabilitation}}{\text{Cost of Reconstruction}} \leq .60$

- **Factors included in the Cost of Rehabilitation (numerator)**
 - Storm damage repair
 - Code compliance
 - Accessibility requirements
 - Elevation (when required)
 - Lead Abatement Costs (when required)
- **Factors included in the Cost of Reconstruction (denominator)**
 - Demolition of the existing structure
 - Fixed price of eligible new home
 - Flatwork
 - Cost of Ramp or elevator (if required)
- **Factors that are not to be included in the feasibility determination include:**
 - Engineering Costs

8.6 Reconstruction Scope of Work

The Reconstruction Program uses standardized unit pricing across all previously procured contractors. All contractors will utilize a shared pool of construction drawings, each having a fixed value. The Scope of Work shall utilize the program standard unit costs for demolition, engineering, construction, and ancillary items, which are also fixed. The Program's pricing may be amended if local conditions warrant a change. Any change to a fixed price component will be at the discretion of the Program Managers or their designee.

The total of all reconstruction costs is subject to the overall program caps.

8.7 Allowable Costs of Repairs

The Program considers construction expenses to be eligible for both reimbursement and reducing the Applicant's duplication of benefits liability.

Applicants who used benefits received from insurance, SBA, FEMA or other sources to make repairs to their disaster-damaged property and can document these expenditures may be able to deduct verifiable amounts of these expenditures from the DOB assessment. This means that the original DOB amount assessed by the Program can be reduced by the amount the homeowner spent on verifiable eligible repairs.

The homeowner will be required to document repairs made to the home as part of their Application to the Program.

The following requirements apply:

- The homeowner must provide a signed self-certified statement that documents, in detail, all labor and/or repairs made to the damaged property following the 2024 storms. (Self-performed labor or labor provided by friends, family, etc. on an informal (non-contractual or undocumented) basis cannot be valued monetarily and deducted from DOB.)
- A program inspector must determine with reasonable assurance that the repairs were made after the date of the hurricane by conducting a Repair Completion Verification (RCV) Report, which will be used to inform the DOB and evaluation process. Xactimate will be utilized to determine the value of the repairs. This process is more thoroughly discussed in the DOB section of this Manual.

The RCV is an independent assessment of the necessary and reasonable cost to repair, elevate or reconstruct the homeowner's home and its valuation reflects the work that was performed by the homeowner in the home that can be observed during the ISI. The RCV also documents the work that was completed to the home through photographs and descriptions. Valuations are based upon industry-standard pricing that is adjusted to appropriately reflect variables such as the changes in pricing between regions, post-storm price escalation and contractor and labor availability.

8.8 Non-Reimbursable Allowable Activities

In addition to the RCV, reimbursement is also based upon an examination of each homeowner's allowable activity expenditures. Allowable Activity expenditures are not directly reimbursable expenses. Homeowners that used benefits received from insurance, SBA, FEMA or other sources for purposes that are eligible under those programs may receive a credit to offset their DOB liability which may increase the reimbursement amount that they can receive. In such instances, the Program is required to document eligible expenditures via on-site validation, receipts, paid invoices or through other means that demonstrates that an expenditure occurred for an allowable activity. Total value of these items will be identified as "DOS" in the RCV report.

The Program will not perform a line-level review of expense documentation as such a review would require onerous identification of each expense by both the homeowner and the reviewer. Reviews of expense documentation are fact-specific and individual determinations may be based upon the overall context of the documentation submitted by a homeowner.

8.9 Eligible and Ineligible Scope

The Table below lists specific activities and whether they are eligible or ineligible for the Housing Recovery Program.

(The remainder of this page is intentionally left blank)

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|---|---|--|--|--|--|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| Repair of the Residential Structure | Structural, interior and exterior repairs of the home or manufactured housing unit. Including, but not limited to, repair or replacement of doors, windows, drywall, roof, floors, plumbing, gas, electrical, water heaters, replacement of utility lines, connection to utilities, and HVAC. | YES | NO | YES | NO |
| Elevation of the Residential Structure | Elevation of the home or manufactured housing unit plus all associated structural, interior and exterior repairs of the home. Including, but not limited to, repair or replacement of doors, windows, drywall, roof, floors, plumbing, gas, electrical, water heaters and HVAC. | YES when required per flood map | NO | YES when required per NFIP/flood maps | NO |
| Reconstruction of the Residential Structure | Complete reconstruction of the home or replacement of a manufactured housing unit, including demolition of the damaged dwelling/MHU. | YES | NO | YES | NO |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|--|---|--|---|---|--|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| Replacement of Essential Appliances | Refrigerators, Stoves, Ovens, Cooktops, Ranges, Built-In Microwave Ovens, and Dishwashers | YES | NO | YES | NO |
| Non-Essential Appliances | Clothes washers and dryers*, wine refrigerators, beverage coolers, mini-refrigerators, grills, pizza ovens, built in coffee makers and countertop appliances. | NO *Plumbing or electric gas lines for clothes dryers are eligible. | NO | NO for replacement YES for removal or detach and reset if required to perform other eligible work. | YES |
| Access Ramps and Wheelchair Platform Lifts | Accommodation to increase mobility access to or within a home | YES with documented need | YES without documented need | YES with documented need | NO |
| Mobility Modifications | Grab bars, roll-in shower, accessible lavatory, electrical modifications, visual/audible smoke alarms, garage door opener, and other mobility modifications | YES with documented need | YES without documented need | YES with documented need | NO |
| Sewer, Septic, Water or Well | Repair or replacement of sewer, septic, water or well systems located outside of the home's footprint. | YES | NO | YES | NO |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|---|---|--|---|--|--|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| Repair and Replacement | | | | | |
| Interior and Exterior Demolition and Debris Removal from the Home | Interior and exterior demolition and debris removal to the curb or a dumpster. | YES | NO | YES | NO |
| Hazard Remediation (Asbestos, Lead Paint, Mold) | Use of a Qualified Contractor to Remediate or abate lead-based paint or asbestos hazards | YES when validated via manifest or letter from a qualified contractor | NO | YES | NO |
| Flatwork | Driveways, sidewalks, patios, decks, or other flatwork associated with ingress and egress | YES for ingress/egress safety or HOA requirements | YES for any quantity greater than HOA or HQS requirement | YES to the extent required for HQS or by an HOA | NO |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|---|---|--|--|--|--|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| Repairs Outside of Residential Structure (Fences, sheds, Detached Structures) | Repair or replacement of fences, detached garages, utility buildings, Storage sheds and other structures and fixtures outside of the footprint of the home. | YES with conditions 1. When required by an HOA or code 2. Program approved on case by case basis | NO | YES with conditions 1. When required by HOA 2. Remove and reset if in the way of construction activity. | Generally ineligible Unless one of the listed conditions is met. |
| Attached Garages | Garages or carports that are attached to the dwelling and under the roof line | YES with conditions 1. to preserve security of the structure 2. firewall separation 3. HOA requirement | NO | YES with conditions 1. to preserve security of the structure 2. firewall separation 3. HOA requirement | In general cosmetic work in a garage is ineligible. |
| Repairs to Bulkheads, Seawalls, and Retaining Walls | Repair or replacement of a bulkhead, retaining walls, seawall or wave break. | YES with conditions 1. structure is on the lot being repaired | NO | YES if determined by an engineer to mitigate an imminent danger to the primary residence | NO |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|--|---|--|--|--|--|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| | | 2. if assessed by HOA and proof of payment is provided | | | |
| Fees by localities including Permits and Zoning Fees | Payments to Cities, Counties, or agencies as a requirement for the repair or reconstruction of the dwelling | YES | NO | YES generally included in the contractor's overhead | NO |
| Engineering Fees and Design Professional Fees | Fees paid to professionals to determine the required scope on a job site, design structures or prove compliance. Includes but not limited to land surveys, soil testing, elevation certificates, as-builts, boring reports, or plan sets. | YES | NO | YES | NO |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|------------------------------------|---|--|--|--|--|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| Landscaping and Pavers | Decorative landscaping and pavers, installed planter boxes, etc. | YES with conditions 1. When required by HOA or local regulation. 2. Removal only may require proof of completion if item cannot be visually assessed. | NO | YES with conditions 1. Required per HOA or local regulation 2. Removal if required for access to construction site 3. Minimal ground cover of areas disturbed by construction activity | YES See exceptions noted in columns to the left. |
| Vegetative debris and Tree Removal | Damaged trees or vegetation removed as part of recovery from the storm event. | YES with proof of completion, photos, letter/invoice from tree service or landscaping company, etc. | NO | YES when conditions exist that threaten the home or create risk for rodent/insect infestations | NO |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|------------------------|---|--|--|--|---|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| Temporary Storage | Temporary storage of household items and furniture while the home was being repaired, reconstructed or due to displacement following the storm event. | NO | YES requires proof of expense | YES if program determines need exists | YES See exceptions noted in both columns to the left. |
| Forced Mortgage Payoff | Seizure of insurance funds by a mortgage company to involuntarily pay down a mortgage. | NO | NO | NO | YES |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|-------------------|--|---|--|---|--|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| Home enhancements | Security systems, Satellite dishes, Sprinkler systems, mirrored walls, built-in shelving, wall units, decorative features, custom closet systems, Interior window blinds and shades etc. | NO | NO | NO , except for removal or detach and reset to perform other eligible work Security systems will not be reinstalled | YES |
| Solar Panels | Solar Panels | NO detach and reset only when required to access other eligible work. | NO | NO to replacement YES to removal when in the way of construction or eliminating a safety hazard. | YES |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|--|--|---|--|--|---|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| Awnings, Hurricane Shutters, Canopies, Lanai, Screened-in Structures under the roof line | Free-standing lanai, exterior awnings/canopies attached to the structure, and screened-in structures under the roof line | YES with conditions 1. If required by HOA. 2. Removal or demolition is eligible. | YES | YES with conditions 1. If required by HOA. 2. Work that must be done to complete other eligible work 3. Removal or demolition is eligible. | YES See exceptions noted in columns to the left. |
| Removable AC Units | AC Units that are removable (mounted to windows) or are not permanently installed. | NO | YES only if primary cooling system) | YES only when there is no feasible way to provide a centralized system | YES See exceptions noted in both columns to the left. |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|---|---|---|--|--|--|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| Contents | Personal belongings e.g. furniture, televisions, computers, electronics, household goods, clothing, and food. | NO | NO | NO | YES |
| Living Expenses | Mortgage payments, insurance premiums and utility bills. | NO | NO | NO | YES |
| Rental Property | Repair or replacement of rental units located on the Applicant's property. | NO | NO | NO | YES |
| Attorney's Fees to Collect Insurance | Fees paid to an attorney to assist with an insurance claim or a lawsuit against an insurance company. | These fees will be addressed as Exclusions during the Duplication of Benefits Review and will not appear in an RCV document. | | n/a | |
| Independent Adjustor or Assessor Fees | Hiring of an independent adjustor or damage assessor to assist with an insurance claim. | These fees will be addressed as Exclusions during the Duplication of Benefits Review and will not appear in an RCV document. | | n/a | |
| Auxiliary Structures not eligible within the program but covered by insurance | Pools, hot tubs, fountains, recreational or playground equipment. | When detailed in an insurance claim, these will be addressed at Duplication of Benefits Review and removed as Non-Duplicative. When not detailed in an insurance statement, these may be demolished or | | Demolition allowable if required to perform other eligible work | |

| Expense Category | Expense Description | Eligible Work completed prior to homeowner Resilient SRQ application | | Eligible work that needs to be completed | Ineligible work |
|------------------|---------------------|--|--|--|--|
| | | Recorded as RCV Values may be used to calculate Reimbursement | Recorded as DOS Value considered only when other benefits available to cover the cost | Recorded in the Scope of Work (as per Minimum Construction Specifications) | Ineligible unless exemption is provided by the Program |
| | | moved as required to perform eligible work. | | | |

9 Environmental Review

9.1 Environmental Overview for Housing

CDBG-DR funding requires compliance with NEPA. HUD distributes these funds and their guidance for meeting NEPA requirements is found in 24 CFR Part 58, Part 55, and Part 51. Additionally, disaster allocation announcements in the federal register provide both waivers and alternative or additional requirements for this provision. All outlined procedures for Sarasota County's Resilient SRQ Housing Recovery Program will adhere to the combined requirements found in these documents, State, and local requirements (whichever is more stringent) and any updates as created by HUD throughout the program.

9.1.1 Tiering

The single-family housing activities will use a tiered approach for environmental review, allowing for program flexibility in case Applicants are found ineligible.

- This environmental review encompassed a county-wide Tier 1/Broad Review which evaluated all items that can be reviewed for a larger targeted area, clarified what will be reviewed at the site-specific level and completed the posting/publication required for the Request for Release of Funds process including both the local comment period, the federal objection period, and receipt of the Authority to Use Grant Funds (AUGF).
- Once each home is identified, a Tier II/Site-Specific review will be performed based on HUD's latest guidance evaluating those factors not encompassed in the broad review. Upon completion of the site-specific review, which will include all supporting documentation and signature, the address will receive a notice to proceed which will allow it to move to the next phase of the recovery process.

9.2 Responsible Entity (RE)

Only a unit of general local government can act as a responsible entity for the environmental review, decision making, and actions such as any required mitigation applied to the project.

Sarasota County will be acting as the Responsible Entity for the projects under this Program, within its jurisdiction. In addition to the AUGF, all site-specific reviews must be completed prior to any assistance being provided. All required mitigation will also be identified in the site-specific review.

9.3 Certifying Officer (CO)

HUD requires that the Responsible Entity appoints, through a resolution, a person or position that will be responsible for signing the environmental documents and certifications for the RE's project(s). A minimum of two individuals will be named to ensure Program continuity. These persons/positions must have the legal capacity to carry out the responsibilities of 24 CFR 58.13, and act as the responsible Federal official to carry-out all the requirements of the NEPA process.

The primary signatory and alternate named positions are identified below:

1. Primary CO - Division Manager, Program Management Division, Office of Financial Management
2. Alternative CO – Director, Office of Financial Management
3. Alternative CO – Deputy County Administrator, Office of Financial Management

10 Duplication of Benefits (DOB)

10.1 Overview

Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5155(a),(c)) prohibits any person, business, or other entity from receiving duplicative financial assistance for the same disaster recovery purpose from multiple sources of federal and other support. CDBG-DR funds are intended to be the payer of last resort for eligible recovery activities.

A DOB occurs when:

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

This policy outlines DOB determinations and award calculation to consider all possible disaster recovery funding sources, including assistance received for subsequent disasters when processing homeowner applications for assistance.

There will be a minimum of three checkpoints for DOB throughout the process:

1. During the eligibility review of a homeowner's file.
2. Prior to the execution of the Agreement.
3. Prior to the processing of the file closeout.

10.2 Sources of Duplication of Benefits

The following are sources of funding assistance provided for damage and loss that may be considered a DOB in accordance with the Universal Notice FR-6489-N-01 and must be deducted from the assistance provided:

- Assistance received from the Federal Emergency Management Agency (FEMA), including but not limited to FEMA Individual Assistance, FEMA National Flood Insurance Program (NFIP) and FEMA Increased Cost of Compliance (ICC);
- Private insurance;
- Assistance received from the Small Business Administration (SBA);
- Subsidized loans;
- Charity or Non-Profit funding; and
- Any other local, state, and Federal sources of funding.

10.2.1 FEMA Individual Assistance (FEMA IA)

The County will verify receipt of FEMA IA benefits using the database provided by FEMA. There are two instances in which the Program uses other documentation for FEMA IA payments received:

- If the Program is unable to verify the FEMA IA amount through the FEMA data, the Program uses the payment amount provided by the homeowner on the application; or
- When a homeowner appeals and claims that their actual FEMA payout is lower than the amount reflected in the FEMA data, the homeowner may provide valid documentation demonstrating that the FEMA IA amount stated in the FEMA data is incorrect. In such cases, the Program will verify the information provided by the homeowner with FEMA and may adjust the payout amount if FEMA confirms that the information in its data set is incorrect.

FEMA IA repair, replacement, and permanent housing construction payments related to structural loss to the property are considered potentially duplicative benefits. Payments for other losses or expenses are not considered duplicative.

10.2.1.1 Special Considerations regarding FEMA IA

The following special considerations shall apply:

- FEMA IA construction payments may also be utilized for temporary housing expenses. Applicants may reduce their FEMA IA construction benefit amount if they are able to provide proof that such funds were utilized for valid temporary housing expenses in excess of any FEMA temporary housing benefits.
- When an Applicant is claiming an allowable activity offset for temporary housing expenses, the amount received from FEMA IA for temporary housing and any amounts received from insurance companies for Additional Living Expenses (ALE) are deducted from the Applicant's verified claim prior to calculating the offset.
- In cases where FEMA determines that an Applicant was ineligible to receive FEMA IA assistance or determines that a duplication of benefits occurred after a FEMA IA payment has been made to an Applicant, FEMA may attempt to recapture funds from the Applicant. If FEMA has determined that a recapture is required, Resilient SRQ will continue to count any FEMA IA benefits received by the Applicant as duplicative. However, if an Applicant can provide sufficient proof in the form of a letter from FEMA or other documentation (including a canceled check showing a repayment to FEMA) that funds were repaid to FEMA, the Program may adjust the Applicant's benefit determination to exclude the amount repaid to FEMA from the benefit calculation because the repaid amount is no longer duplicative, provided that the Applicant continues to meet all program eligibility requirements.
- FEMA has notified the Program of certain additional FEMA IA payments that were made to homeowners after the start of the Resilient SRQ may not distinguish between payments that were made to homeowners after the start of the Resilient SRQ for structural repair and payments made for other potentially duplicative or non-

duplicative purposes. Accordingly, the entire amount that may be duplicative will be included in each Applicant's calculation out of an abundance of caution.

- Any fees associated with legal costs, adjuster's fees, and settlement costs are reimbursable expenses if supporting documentation is provided and clearly labeled as such.

10.2.2 National Flood Insurance Program (NFIP) Payments

NFIP payments are verified by the Program using data provided by FEMA. If the Program is unable to verify the receipt of NFIP insurance proceeds utilizing FEMA data, the Program may request the Applicant to provide documentation to validate the payment amount provided in the application.

NFIP payments for structural loss (building coverage) to the property listed on the application are considered potentially duplicative benefits. Payments for other losses or expenses, including contents coverage, are not considered duplicative.

10.2.3 FEMA Increased Cost of Compliance (ICC)

Structures damaged by a flood may be required to meet certain building requirements to reduce the risk of future flood damage before the structure can be repaired or rebuilt. To help cover these costs, the NFIP includes ICC coverage for all new and renewed Standard Flood Insurance Policies. ICC payments that are intended to be used for activities such as demolition, floodproofing and elevation are verified by the Program using data provided by NFIP. If the Program is unable to verify the receipt of ICC proceeds utilizing FEMA data, the Program may request the Applicant to provide documentation to validate the payment amount provided in the application.

ICC payments received for the property listed on the application, verified by NFIP or homeowner provided information, are considered potentially duplicative benefits.

10.2.4 Private Insurance

All property, flood, or casualty insurance settlement amounts for loss to dwellings are considered a DOB and are deducted from the Applicant's funding assistance award. Private insurance payments for contents or other expenses are not deducted from the Applicant's funding assistance award. Insurance proceeds are often broken into different categories that may cover the contents or the structure of the home. Only those proceeds for repair, replacement, or mitigation of the structure will be included in the DOB calculation. Insurance proceeds paid for contents will be excluded from the DOB calculation.

Insurance proceeds are initially determined by the Program through the Applicant-provided information. The documentation provided by the Applicant must come from the insurance company that issued the payments or an order from an administrative proceeding or court of competent jurisdiction. Applicants must also provide written or verbal authorization for the Program to contact third-party private insurance providers.

Insurance proceeds will then be determined and verified by the Program by contacting the insurance company and verifying proceeds. If the Program is unable to verify the private

insurance proceeds through the insurance company, the Program will use the claims payout provided by the homeowner. If a homeowner can provide documentation demonstrating that the insurance proceeds amount provided by the insurance company includes items not covered in the home evaluation or not paid to cover structural loss, the Program will use the documentation provided by the homeowner to adjust the private insurance payout in the DOB calculation. In addition, if a homeowner claims no insurance on their application, but has a current mortgage, the Program will request private insurance documentation from the homeowner.

10.2.4.1 Special Considerations regarding Private Insurance

When an Applicant claims an allowable activity offset for temporary housing expenses, the amount received from for temporary housing or Additional Living Expenses (“ALE”) is deducted from the Applicant’s verified claim prior to calculating the offset.

If an Applicant obtained insurance proceeds through legal action, amounts incurred for legal fees are credited to the Applicant and are not considered duplicative benefits. Amounts recovered for punitive damages, contents or other non-structural coverage are not considered duplicative benefits. Applicants are required to provide evidence of payment and judgment or settlement documentation demonstrating the homeowner’s success in the legal action. The Applicant’s attorney must provide a written statement showing these amounts for the Program to consider them non-duplicative. All other legal fees that a homeowner may have paid out of any disaster assistance proceeds will be included as part of their DOB.

In the case that a homeowner has an open insurance claim and still has the potential to get additional proceeds upon completion of repair work, the homeowner will have two options.

- Either the homeowner can close the claim with their insurance company and obtain documentation stating they no longer have access to insurance funds; or
- On as case by case basis, the Program may include all funds that are available to the homeowner in the final DOB calculation. Once the Program’s work is complete on the property, the homeowner can claim the funds, but would be subject to repayment as specified in the Agreement and will be required to return duplicative funds to the County.

Mold remediation may or may not be included in the CDBG-DR grant award, therefore insurance payments that are issued specifically for mold remediation may constitute a DOB. The documentation provided by the homeowner must come from the insurance company that issued the payments or an order from an administrative proceeding or court of competent jurisdiction.

10.2.4.2 Cooperative or Condominium Units

If the property listed on the application is an individual residential unit located within a building or upon land owned by a cooperative or condominium association, the unit may have been provided coverage for losses through a policy of flood insurance or private insurance held by the cooperative or condominium association. In these cases, the Program must verify whether the owner of the unit received insurance benefits from a policy held by a third party and whether such benefits were provided in the form of a payment to the homeowner. If such benefits were

used by the third party (such as the condo or cooperative association) to perform repairs, the benefits are not considered duplicative.

10.2.4.3 Post-2024 Storm Insurance Payment for Non-Storm Related Losses

During the insurance verification process, if an insurance provider provides data to the Program regarding additional, post-2024 storm structural loss insurance payments, such payments will be considered when calculating an Applicant's award amount out of an abundance of caution. While the Program does not consider such benefits to be duplicative, the Program has opted to include such payments in the reimbursement calculation. The Applicant may provide supplemental documentation to the Program showing that those amounts should not be considered when calculating a award amount. The Program will review the supplemental documentation and make a final determination on whether to include those amounts.

10.2.5 Small Business Administration Loans

Federal regulations consider approved SBA loans for repair and reconstruction to be a DOB for federally funded repair programs. If a homeowner has executed a loan with SBA to cover the cost of repairs or reconstruction, the total amount of the approved loan is considered a DOB unless the homeowner has declined the loan or requested a reduction after SBA initial approval of the loan. As described in 84 FR 28836 (V.B.2.ii), "The amount of a subsidized loan that is declined or canceled is not a DOB."

The County is adopting the following policies with respect to declined and canceled SBA loans:

10.2.5.1 Declined SBA Loans

Declined SBA loans are loan amounts offered by a lender but turned down by the homeowner, meaning the homeowner never signed loan documents to receive loan disbursements. The Program will attempt to verify declined loan amounts using third-party data from SBA. CDBG-DR grantees shall not treat declined subsidized loans, including declined SBA loans, as a DOB. Declined loans must be documented through the SBA data feed in conjunction with written communication from the lender (SBA).

10.2.5.2 Canceled SBA Loans

The applicant (borrower) has entered into a loan agreement, but for a variety of reasons, all or a portion of the loan amount was not disbursed and is no longer available to the homeowner. The loan cancelation may be due to the default of the borrower, agreement by both parties to cancel the undisbursed portion of the loan, or expiration of the term for which the loan was available for disbursement. The canceled loan amount is the amount that is no longer available to the homeowner. If a homeowner cancels all or a portion of an SBA loan related to the repair of the dwelling, only the accepted loan amount will be considered a DOB. Canceled subsidized loan amounts are not considered a DOB but are subject to further requirements. Homeowners may not take actions to reinstate the canceled loan or draw any additional undisbursed loan amounts.

- Canceled loans that were never drawn must be documented through the SBA data feed demonstrating the \$0 draw in conjunction with written communication from the lender (SBA).
- Canceled loans that had a portion of the loan drawn, but the remainder canceled must be verified in the SBA data feed in conjunction with written communication from the lender (SBA). The accepted current loan amount will be considered a DOB.

A homeowner must agree, in writing, that he or she will not take any actions to reinstate a canceled SBA loan.

10.2.5.3 Accepted but Undisbursed Loan Amounts

This situation is similar to canceled loans, but no formal action was taken by the homeowner (borrower) or lending agency (SBA) to formally cancel the loan. Accepted but undisbursed subsidized loan amounts are not considered a DOB but are subject to further requirements. The undisbursed loan amount will not be considered a DOB; however, homeowners may not request subsequent draws from the undisbursed portion of the loan.

- Accepted but undisbursed loans that were never drawn must be documented through the SBA data feed demonstrating the \$0 draw in conjunction with written communication from the lender (SBA) reducing the loan amount to \$0.
- Accepted but undisbursed loans that had a portion of the loan drawn, but the remainder never disbursed must be verified in the SBA data feed in conjunction with written communication from the lender (SBA) reducing the loan amount to those funds disbursed. The disbursed loan amount will be considered a DOB.

A written agreement may be required between the homeowner and the County for canceled and accepted but undisbursed SBA loans if no written communication is received from SBA. A homeowner must agree, in writing, that he or she will not take any actions or pursue future draws from any undisbursed funds from an SBA loan.

Any other loan received by a homeowner will count as a duplication unless the homeowner can offset the funds received with eligible repair activities. All SBA assistance will be verified through the SBA database provided to the program to confirm the assistance received.

10.2.5.4 Notification to SBA of Assistance Provided to Homeowners with Canceled SBA Loans

Pursuant to the requirements of 84 FR 28836, Updates to Duplication of Benefits Requirements under the Stafford Act for CDBG-DR Grantees, Resilient SRQ will notify SBA of all reimbursement assistance provided to homeowners with canceled SBA loans. Such notification will be made during the closeout phase of the Program.

10.2.6 Charity or Non-Profit Funding

Funds received by the homeowner from philanthropic organizations are based upon the payment amount provided by the homeowner on the application.

Payments received from non-profits, religious institutions, charitable organizations, or other philanthropic organizations that are specifically intended for repair, reconstruction or mitigation are considered potentially duplicative. Payments for other losses or expenses are not considered when calculating the homeowner's eligible reimbursement amount.

Homeowners who choose to work with private non-profit entities for short-term repair funding may be eligible for reimbursement of their short-term bridge loans.

10.2.6.1 Special Considerations regarding Charity or Non-Profit Funding

The following special considerations shall apply:

- When a homeowner claims an allowable activity offset for temporary housing expenses, the amount received from philanthropic organizations for temporary housing is deducted from the homeowner's verified claim prior to calculating the offset.
- Demolition work, repairs and other work performed on behalf of a homeowner by a philanthropic or charitable organization are excluded from the ISI report of previous repairs and homeowners will not receive credit for such work when calculating the homeowner's eligible reimbursement amount.

10.2.7 Other Sources

Funding received for the same purpose of a Program award, such as funding provided by a non-profit entity or the US Army Corps of Engineers (USACE) to assist the Applicant with rebuilding their home must be reported by the Applicant through the application process and must be accounted for and verified by the Program. In addition, the support documentation related to other duplicative funding sources must be provided by the Applicant, verified by the Program, and applied as a duplication of benefits by the Program. Other potential sources include but are not limited to the following:

10.2.7.1 United States Department of Agriculture (USDA) Loans

USDA Emergency Loan Program (EM) loan amounts that were intended for home repair, elevation or replacement are determined and verified through documentation provided by the homeowner.

The amount considered potentially duplicative is the total amount that the homeowner was awarded for home repair, elevation or replacement. Amounts awarded due to other losses, such as damage to farm equipment or non-residential buildings that support farming activities shall not be considered duplicative. The total amount awarded to the homeowner for potentially duplicative activities is counted as the benefit received regardless of whether the entire awarded amount has been drawn by the homeowner. Loan amounts that were canceled or revoked are not considered duplicative.

10.2.7.2 Other Programs

Other programs will be evaluated as they are identified through reviews of homeowners' received benefits.

10.3 Assistance Not Considered Duplicative

The following are sources of funding assistance that are not considered a DOB under federal law and are omitted when calculating the maximum award amount and final award amounts the Applicant can receive:

- Assistance received for a different purpose.
- Downpayment assistance;
- Interim mortgage assistance;
- Acquisition of damaged property;
- Rental assistance;
- Private loans; and
- Personal assets or lines of credit available to the Applicant (for example, checking/savings accounts, retirement accounts, credit cards, stocks, pensions, etc.).

Assistance received in the form of services instead of money for home repairs from any source is not considered a DOB. Funds received from any source, including flood insurance, FEMA, and hazard insurance that were used to cover repairs to the Applicant's home, do not reduce the amount of disaster assistance if the evidence of expenditures equals at least the amount of assistance. Documentation must be provided demonstrating the cost and type of repair conducted.

10.4 Potential Contractor Fraud

Homeowners claiming contractor fraud must submit an official police report that was filed regarding the alleged fraudulent activity and make every effort to recover the funds prior to the date of the application. If a homeowner elects to claim contractor fraud, the entire amount of the contract with the contractor will be classified as a non-reimbursable allowable activity rather than as a reimbursable construction expense.

10.5 Forced Mortgage Payoffs

Forced mortgage payoffs are not directly reimbursable and do not decrease a homeowner's DOB liability. Homeowners claiming that they were the subject of a forced mortgage payoff must submit documentation issued by their mortgage company that clearly states that some or all their insurance proceeds were taken to pay off their mortgage. The documentation must also state the source of funds that were taken by the mortgage company (e.g., flood insurance, homeowner's insurance, etc.) and the amount that was taken to pay down the homeowner's mortgage. The Program will not accept any documentation generated by a homeowner, by an insurance company or by any other source other than the homeowner's mortgage company.

10.6 Tax Filings

Tax filings (such as claiming a tax loss) related to losses to the home do not affect funding assistance awards and are not considered duplicative. Homeowners should consult their personal tax advisor to seek guidance regarding any tax-related matters.

10.7 Funds for the Same Purpose but for Different Eligible Use

Funds received for the same purpose as funds provided under the Program, but that were used by the Applicant for a different allowable use may be excluded from the final award calculation. In some instances, funds provided for the same general purpose (e.g., rehabilitation of a home) as the CDBG-DR funds, may have been used by the Applicant for a different allowable use. In these circumstances, if the Applicant can document that the funds received were used for a different, but eligible, use, then the funds are not duplicative.

10.8 Repayment of Funds

Each homeowner must execute an Agreement that requires that they report any potentially duplicative funds received after application to the Program. The Program may revisit DOB calculations and data sources at any time. The Program will track each report of additional funds received and determine the best course of action regarding the report received. The following process will be utilized to determine whether repayment is required:

- Upon notification by a homeowner or through third party sources, that additional funds were received, the Program will determine whether those funds are potentially duplicative of the assistance that was received by the Applicant. Funds are considered potentially duplicative if they would have been considered by the Program when calculating the homeowner's original award amount.
- If the funds received and reported by the homeowner are considered duplicative, the Program will perform a new award calculation. The difference between the homeowner's prior award calculation and the new award calculation shall be the repayment amount.
- Upon notification by a homeowner or through third party sources, that additional funds were received, the Program will determine whether those funds are potentially duplicative of the assistance that was received by the Applicant. Funds are considered potentially duplicative if they would have been considered by the Program when calculating the homeowner's original award amount.
- If the funds received and reported by the homeowner are considered duplicative, the Program will perform a new award calculation. The difference between the homeowner's prior award calculation and the new award calculation shall be the repayment amount.

Pursuant to HUD's Duplication of Benefits Collection Policy, Bulletin 2025-01 (January 2025), DOB repayment is not required, regardless of income level, if the Applicant:

- Is deceased after receiving CDBG-DR assistance
- Is subject to foreclosure on the assisted damaged property
- Has entered or completed a bankruptcy proceeding and had debts successfully discharged

Additionally, DOB repayment is not required if all of the following conditions are met:

- The applicant is LMI
- They receive federal disaster assistance (e.g., FEMA, SBA) after receiving CDBG-DR assistance

- The assistance is for the same purpose (e.g., home repair)
- The duplicated amount is \$27,000 or less

This exemption applies only to federal assistance received after the CDBG-DR award. This exemption does not apply to non-federal assistance received, fraud or misrepresentation, or contractor fraud. The Program reserves the right to recapture funds, regardless of the HUD Policy Bulletin.

10.9 DOB Analysis Frequency

The Program will review for any DOB received by the homeowner during initial verification of eligibility and at project closeout. The Program reserves the right to conduct a DOB verification at any time during the project, or after project closeout. A review may also be conducted if new information is presented during the case that may indicate a DOB has occurred or if a subsequent disaster occurs when work has not been completed.

11 Award Determination

11.1 Calculating Program Awards

A review of each homeowner's post-disaster need is required to determine the amount of assistance that will not cause DOB by exceeding the homeowner's unmet needs. This review is completed prior to committing any CDBG-DR funding or awarding assistance and will utilize the best, most recent available data from identified sources of funding to prevent DOB.

Sarasota County will follow a process broadly defined in the following 5 steps:

- **Step 1: Identify the total need**

Determine the specific purpose of the project type. Ensure all costs included in the total need are reasonable and necessary.

- **Step 2: Identify all sources of funding received or anticipated**

Applications for assistance will require documentation for all sources of funding received or reasonably anticipated from third parties (including but not limited to assistance received from FEMA, SBA, insurers, and any other identified local, state, and Federal sources).

- **Step 3: Record the information in the DOB Calculation Worksheet**

Determine which funding sources to include or exclude from the unmet need calculations and deduct any assistance that has been determined to be duplicative in nature. All disaster-related assistance received from other sources must be validated and verified that it was used for its intended purpose.

- **Step 4: Determine the maximum award eligible**

Subtract duplicative assistance from all sources from the total need to determine the total unmet need for CDBG-DR assistance.

- **Step 5: Apply program cap**

Compare the maximum award amount to the program cap and determine the final award as the lesser of the maximum possible request or program cap. The Housing Recovery Program uses the following program caps:

- Reconstruction will have a cap of \$310,000
- Rehabilitation will have a cap of \$200,000
- Reimbursement will have a cap of \$50,000

Example: Ms. Smith resides in a single-family home that suffered significant damage from the 2024 storms. The original estimated cost to rehabilitate the residence is \$100,000. Ms. Smith identified that she had received assistance from FEMA in the sum of \$30,000 for the damages to rehabilitate the residence. She also identified that she has a savings account in the sum of \$12,000.

| | | |
|----|---|-----------|
| 1. | Identify the Homeowner's Total Need | \$100,000 |
| 2. | Total Assistance Received from all sources | \$42,000 |
| 3. | Total Assistance Determined to be Duplicative | \$30,000 |
| 4. | Maximum CDBG-DR Award (Item 1 less Item 3) | \$70,000 |
| 5. | Program Cap | \$200,000 |
| 6. | Final Award (lesser of Items 4 and 5) | \$70,000 |

In this example, the assistance Ms. Smith received from FEMA is a duplication of benefit as the funding's purpose is for rehabilitation of the residence following the 2024 storms. Because of this, the funding received from FEMA is deducted from Ms. Smith's total need amount to determine the maximum award amount Ms. Smith can receive from CDBG-DR funding. Ms. Smith's savings account is not considered to be a duplication of benefits and is not included in calculating the maximum and final award amounts.

11.2 Zero Award

A homeowner can meet the requirements for program eligibility, but not qualify for an award. This is known as a zero award. A zero-award file is identified as a file in which a homeowner's total DOB exceeds the total eligible award amount (remaining Hurricane damage) for a repair, reconstruction, or replacement benefit.

11.3 Calculating the Duplication of Benefits

The County must ensure CDBG-DR awards are necessary and reasonable when determining the total unmet need of the individual homeowner. Thus, a DOB can also occur if the assistance amount exceeds the need for a particular recovery purpose. For this reason, the unmet need and DOB determinations influence the potential assistance a homeowner can receive.

Homeowner reported eligible home repairs related to the 2024 storms will be validated through an ISI and valued using Xactimate®. The value of eligible repairs, as determined by the County, will be compared to the homeowner's total received duplicative benefits. If the homeowner's received duplicative benefits amount exceeds the documented amount of home repair expenses, then the difference between the two amounts will be deducted from the homeowner's award. This is referred to as a DOB gap. If the cost of eligible repairs exceeds the amount of total received duplicative benefit, then there is no gap, but a potential reimbursement.

Homeowners with DOB gaps must fund the shortfall to complete construction. If a homeowner elects to fund a shortfall, the homeowner must secure the funding before the time of signing the Resilient SRQ Agreement.

If it is determined by the program that a DOB gap exists, the homeowner may elect to:

- Provide additional funds to the County for the gap; or
- Request a DOB Gap Reduction to reduce the scope of work.

11.4 Agreement Execution

As part of the final steps to receive assistance through the Program, Applicants are required to review and sign an Agreement and other applicable Program documents such as demolition plan and plan selection sheet. The Program uses DocuSign, a secure electronic signature platform, to facilitate the signing process and ensure timely and efficient execution.

Applicants will be notified when their agreement is ready for signature and will receive an email with instructions to review and sign the required documents digitally. Applicants are encouraged to carefully read all documents and may request assistance from Program staff to walk through the agreement terms.

For Applicants participating in construction-related activities such as Rehabilitation or Reconstruction, a pre-construction meeting may also be held to review the scope of work, contractor assignment, project timeline, relocation requirements (if applicable), and any necessary contribution toward gap funding or DOB. If a DOB gap is identified, the Applicant must submit a cashier's check made payable to Sarasota County for the full gap amount. These funds will be deposited into a non-interest-bearing escrow account established by the County. The escrow deposit is required prior to the full execution of the Agreement by all parties. Failure to submit the required escrow funds within the timeframe specified by the Program may result in the Applicant's file being placed in an abandoned status until the required escrow funds are received, subject to available funds in the Program.

Signed agreements and all associated documentation will be stored in the Program's system of record. Applicants will receive a copy of their signed agreement via email or printed copy, upon request.

Applicants may not enter into any side contract outside the scope of work with the contractor assigned to their project.

11.4.1 Agreement Assistance

The Program will provide assistance for Applicants who are unable to sign electronically due to disability, lack of access to technology, or other extenuating circumstances. Assistance may include:

- Assistance from Program staff to complete the DocuSign process;
- Paper-based documents with return by mail in limited cases and as approved by the Program;
- Special procedures for Applicants signing with a mark (e.g., “X”), including documentation and witness certification, as required.

12 Issue and Dispute Resolution

12.1 Eligibility Specialists and Other Support Representatives

The Resilient SRQ Housing Recovery Program Eligibility Specialists will be assigned to Applicants following an application submittal and to the extent feasible, will remain assigned to an individual Applicant for the life of the Program.

Eligibility Specialists will work in collaboration with any Applicant-identified Communication Designees, other stakeholders, and local agencies to best assist HRP Applicants from intake to close-out. Applicants will be informed of their status throughout the process either through their Eligibility Specialist and/or through the program’s system of record.

Applicants may face potential barriers including the loss of documents or temporary residence outside of the area. In addition to providing Eligibility Specialists to work through some of these complications, the Resilient SRQ Housing Recovery Program has established partnerships with local entities such as non-profit local legal services and title companies, etc. to assist Applicants with the application process and obstacles that may arise.

Eligibility Specialists will serve several roles and responsibilities in the Housing Recovery Program including providing inbound call center support, conducting mobile outreach visits, communicating with the Applicant about required information, assisting Applicants with application intake and eligibility factors, grant award closing and various meeting scheduling, and other day-to-day duties.

Case notes will be logged as soon as possible in the System of Record to ensure a clear history is in place and ensure visibility and transparency throughout the program.

12.2 Special Case Panel

The Program may consider exceptions to various policies for Applicants who demonstrate undue hardship. A demonstrable hardship may include but is not limited to, the following: prolonged job loss, substantial reduction to household income, death of a family member, unexpected and extraordinary medical bills, a disability, etc. Requests for an exception to the Program based on undue hardship will be evaluated on a case-by-case basis by the Special Case Panel.

The Panel will address unique issues when they arise and will issue policy clarifications or revisions on each policy matter it considers. Additional members of the Panel may also include consultations with subject matter experts to address special topics such as construction, environmental, and other technical areas of the Program. The Panel will meet on a routine basis as needed to meet the demands of the Program. All decisions of the Special Case Panel will be documented in the system of record.

HRP will consider and respond to concerns, suggestions, requests, and other issues pertaining to its CDBG-DR Program by utilizing the Special Case Panel.

The Panel will review any proposed scenario or activity (related to broad policy level or an individual Applicant's case file) that conflicts with existing policy guidance or when existing policies are silent.

12.3 Appeals

Applicants may dispute specific program decisions or determinations if they:

- Have updated information that would reverse a program decision;
- Believe that the County made an error in its determination; or
- Have a request for special consideration.

Applicants may submit appeals regarding the following program decisions:

- Eligibility Determination
- Award Determination
- Duplication of Benefit (DOB) Determination
- Special Housing Considerations/Accommodations
- Recapture Amount

12.3.1 Submitting Appeals

The Applicant may submit an appeal to the Program for further consideration. The appeal must be received within fifteen (15) calendar days of notification of the item being appealed. Applicants may submit appeals to the Program through the System of Record.

Upon receipt of an appeal request by the Program, a response will be provided acknowledging receipt of their submitted appeal. When practical, a written decision will be sent within fifteen (15) calendar days; however, some cases may require additional time for the review. The Program will keep a record of each appeal that it receives in the Program's system of record.

Due to limited funding, the Program will not reserve funding for applications that may be appealed prior to eligibility determination. Accordingly, appeals will only be processed while the Program has sufficient funding remaining. Applicants that file appeals are not guaranteed to receive assistance even if their appeals are successful.

12.3.2 Appeal Outcomes

All appeal determinations will be communicated to Applicants in the system of record and will be considered final. Appeals will result in one of two outcomes:

- Appeal Granted: The Program determines that the appeal has merit. If an appeal regarding ineligibility is granted, the Program will resume processing the application. If an appeal regarding the amount of the award is granted, the Program may recalculate the award and issue a new award letter to the Applicant.
- Appeal Denied: The Program determines that its earlier decision does not need amendment and that no further action is required.

12.3.3 Limitations on Appeals

Certain circumstances may limit the Applicant's ability to appeal a Program decision. The following limitations on appeals will apply:

- Homeowners may not appeal if the Program is oversubscribed and has inadequate funding to fund all homeowners currently in the program.
- Homeowners may not file appeals that question HUD, federal, or state requirements.
- Homeowners may only file appeals to question determinations that are made by the Program.

13 Inactive Applicants

13.1 Voluntary Withdrawal

The Program may accept the voluntary withdrawal of any application at any time as documented by the Applicant, which will be captured in the system of record. Upon voluntary withdrawal of the program the homeowner forfeits their first-come-first-serve queue position, and any allocated funds will be returned to the Program to benefit other applicants.

13.2 Unresponsive Applicants

The Program reserves the right to declare an Applicant as unresponsive after repeated attempts to communicate or collect information are met with no response or progress. After an Applicant is determined to be unresponsive, the homeowner forfeits their first-come-first-serve queue position, and any allocated funds will be returned to the Program to benefit other applicants. Unresponsive Applicants may reactivate their application at a later date but will only be evaluated to receive assistance if program funds remain at that time.

14 Close Out

14.1 Overview

The Resilient SRQ Housing Recovery Program will close out homeowner assistance in phases to ensure all construction, compliance, and documentation requirements are complete. Homeowners will receive important reminders and information throughout the process.

14.2 Reimbursement Closeout

Once the Agreement is executed and funds are disbursed, that portion of the applicant's file will be considered complete. If flood insurance is required by the Agreement, the homeowner must provide proof of flood insurance before funds can be disbursed. If the homeowner is also receiving rehabilitation or reconstruction assistance, reimbursement closeout will occur after all other work is complete.

Homeowners receiving reimbursement-only awards must maintain ownership of their home for one (1) year after signing the agreement. If the home is sold during this time, a prorated portion of the award must be returned to the County.

14.3 Construction Closeout (Rehabilitation and Reconstruction)

Once construction is finished and all final inspections are passed, the County will:

- Verify required documents are uploaded in the system of record
- Provide homeowners with a Construction Closeout Packet that includes:
 - Warranty information
 - Monitoring requirements
 - Flood insurance
 - Other information relevant to their home
- Ensure all contractor payments are complete

14.4 Compliance Monitoring

The Program will monitor applicants who receive assistance to ensure compliance with the requirements outlined in their Agreement. This includes confirming that the Applicant maintains ownership, primary residency, and applicable insurance coverage during the required compliance period.

The Agreement will clearly state any compliance period and requirements specific to the Applicant's type of assistance. Applicants should carefully review the Agreement to understand their ongoing responsibilities.

- **Ownership and Occupancy**
 - 1 year for reimbursement only
 - 2 years for rehabilitation projects
 - 3 years for reconstruction projects

- The property must remain the homeowner's primary residence and may not be rented or sold during the applicable compliance period.
- Homeowners who sell within the applicable timeframe must repay a prorated portion of their award to the County.
- Hardship exceptions may be considered on a case-by-case basis.
- **Flood Insurance**

If the home is in a Special Flood Hazard Area, flood insurance must be maintained in perpetuity. Homeowners must provide proof of insurance to the County upon request.

The Program will conduct periodic reviews to verify ownership, primary residency and flood insurance during the compliance period. Noncompliance may result in repayment of funds to the County.

Homeowners may be required to submit documentation during the compliance period to demonstrate continued compliance. In cases of noncompliance, the County may initiate recapture of funds in accordance with Program policy. Special circumstances may be reviewed on a case-by-case basis to determine whether an exception can be granted.

14.5 Final Program Closeout

Once all individual applications are closed and the grant funds are fully expended, the County will coordinate final closeout with HUD. This includes confirming that:

- All grant requirements were met;
- Funds were used for eligible activities that met a national objective; and
- Monitoring and reporting were completed.

The County will retain all records for five (5) years from the date of HUD closeout.

15 Cross-Cutting Requirements

15.1 Conflict of Interest

The conflict-of-interest regulation at 24 CFR 570.611(b) is intended to protect the reputation of the CDBG/CDBG-DR program from even the appearance of providing special treatment or serving a special interest. The regulation prohibits conflicts, including situations where a person who is covered by the regulation might obtain a financial interest or benefit from a (CDBG-DR) assisted activity. The program requires all program staff to disclose any relationship with an Applicant, vendor, or contractor. Program staff, sub-grantees, program administrators, vendors and contractors who disclose such relationships are placed in roles where there is no opportunity for them to display favoritism or collude to benefit themselves financially or otherwise, the Applicant, vendor, or the contractor. For example, a customer representative may not perform work on the application of family. For purposes of this regulation, "family" is defined to include spouse, parents, mother-in-law, father-in-law, grandparents, siblings, brother-in-law, sister-in-law, and children of an

official covered under the CDBG conflict of interest regulations at 24 C.F.R. § 570.489(h). The County will comply with the CDBG policies.

If potential conflicts are identified, Sarasota County may seek HUD's approval to consider granting an exception if the County has determined that all the concerns generated by the possible conflict of interest have been addressed, and that an exception would serve to further the purposes of Title 1 of the Housing and Community Development Act of 1974. The County may consider whether the person affected is a low-income person, whether the interest or benefit was present before the affected person was in a position to benefit from the conflict of interest, whether undue hardship results from failure to grant the exception, or other considerations that the County deems is equitable.

15.2 Anti-Fraud, Waste, and Abuse Compliance

Sarasota County will assess all program systems, processes from an anti-fraud, waste, and abuse perspective. Anti-Fraud Compliance will include anti-fraud training for program staff. Anyone with information regarding known or suspected misappropriation of funds or resources is encouraged to report the information to Sarasota County by calling: 1-855-506-0304.

15.3 Management Information System Recordkeeping/Document Management and Retention/Reporting

In accordance with HUD regulations, Sarasota County as the grantee and prime recipient of CDBG-DR funds follows the records retention requirements cited in 2 C.F.R. Part 200, which includes financial records, supporting documents, statistical records, and all other pertinent records. Sarasota County will establish recordkeeping and retention requirements in all contractor agreements in accordance with 24 CFR 570.503(b)(2).

The County will establish and maintain such records as may be necessary to facilitate review and audit by HUD of the County's administration of CDBG-DR funds under 24 CFR § 570.493. All records documenting funding decisions will be kept, regardless of the organizational level at which final funding decisions are made, so that they can be reviewed by HUD, the Inspector General, the Government Accounting Office, and citizens pursuant to the requirements of 24 CFR § 570.490. Representatives of HUD, the Inspector General, and the General Accounting Office will have access to all books, accounts, records, reports, files, and other papers, or property pertaining to the administration, receipt and use of CDBG-DR funds and necessary to facilitate such reviews and audits.

All documents will be retained for a minimum of five (5) years after the closeout of the federal grant. All physical and electronic records, following closeout of this grant, will be maintained by Sarasota County.

The availability of records is subject to the exemptions to public disclosure set forth in Section 87(2) of Public Officers Law. All Freedom of Information Act (FOIA) or Public Records Requests must be made in writing to Sarasota County's Public Records Coordinator and will be processed in accordance with established procedures. Information on submitting a request can be found at <https://www.scgov.net/government/communications/public-records-request-2028>.

The County will comply with HUD Handbook 2225.6 Records Disposition Schedules and HUD Handbook 2228.2 for disposal of the records in a timely and efficient manner.

Sarasota County will establish reporting requirements in accordance with 24 CFR 570.503(b)(2) and 2 CFR 200, including tracking data and providing reporting at regular intervals, such as monthly, quarterly, and annually, as required.

15.4 HUD Disaster Recovery Grant Reporting (DRGR) System

Sarasota County's Office of Financial Management, Program Management Division is responsible for processing CDBG-DR grant funding and performing draws in HUD's Recovery Grant Reporting (DRGR) System, and reconciling budgets and expenditures.

15.5 Uniform Relocation Act (URA)

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) and/or Section 104(d) of the Housing and Community Development Act of 1974 sets minimum standards for federally funded projects that involve the acquisition of real property or displacement of people. Generally, the use of CDBG-DR funds, including funds used for acquisition, demolition, rehabilitation, or reconstruction triggers URA.

Participation in the HRP is voluntary, in addition homeowners with tenants are not eligible for assistance under the Program. For these reasons, it is not anticipated that the HRP will trigger URA requirements.

15.6 Davis-Bacon Act and Related Acts (DBRA)

The Davis-Bacon Act and Related Acts (DBRA) applies to contractors and subcontractors carrying out certain federally funded or assisted construction contracts in excess of \$2,000 and requires the payment of the prevailing wages (including fringe benefits) for corresponding work on similar projects in the area.

For residential housing, Davis-Bacon applies to the rehabilitation of residential property only if the property contains 8 or more units. Residential property that contains seven (7) or fewer units is exempt. **The Resilient SRQ Housing Recovery Program does not include any housing types or services for which the DBRA will be applicable.**

15.7 Fair Housing

This Program will be implemented and managed in conformity with the Fair Housing Act. Applicants will not be discriminated against regardless of race, color, religion, sex, familial status, disability, and national origin. The Program is designed and managed to allow individuals and households throughout the community to participate without discrimination or prejudice. This includes activities and housing options that can provide specific housing accommodations for vulnerable populations when feasible, such as modifications to improve accessibility, including individuals with disabilities.

The Fair Housing Act mandates that the County, as a recipient of CDBG-DR funds, must ensure that no person is excluded from participation in, denied the benefit of, or subjected to discrimination in

any housing program or activity because of age, race, color, creed, religion, familial status, national origin, sexual orientation, military status, sex, disability, or marital status.

15.8 Accessibility and Section 504 Compliance

Section 504 of the Rehabilitation Act of 1973, as amended, requires CDBG-DR grantees to operate their CDBG-DR programs in compliance with the Section 504 requirements (24 CFR 8.22 and 8.23). Section 504 of the Rehabilitation Act of 1973 prohibits discrimination in federally assisted programs on the basis of disability and imposes requirements to ensure that qualified individuals with disabilities have access to programs and activities that receive federal funds.

15.9 Lead-Based Paint

A lead hazard assessment is required if the residential property was constructed prior to 1978, in accordance with 24 CFR 35.1015, which shall entail a visual examination of painted surfaces identifying deteriorated paint or visual examination of surface dust, debris, and residue as part of a risk assessment. Should deteriorated paint be identified at the residential property, then all deteriorated paint surfaces must be stabilized using safe work practices and a clearance examination shall be performed prior to Sarasota County releasing CDBG/CDBG-DR Program funds.

For residential properties receiving federal rehabilitation assistance, all work by the County will follow 24 CFR 35.930 in its entirety, including evaluation and hazard reduction requirements. Residential properties that fall under § 35.930(c) in its entirety, of more than \$5,000 and up to and including \$25,000, the County or its contractors will be required to conduct paint testing or risk assessment before rehabilitation begins followed by hazard controls if lead is found. For residential properties that fall under § 35.930(d) in its entirety, receiving more than \$25,000 in federal rehabilitation assistance, the County will conduct paint testing or risk assessment before rehabilitation begins followed by abatement of all lead-based paint hazards identified by paint testing or risk assessment conducted pursuant to paragraphs § 35.930(d)(1) and (d)(2) of this section, in accordance with § 35.1325, except that interim controls are acceptable on exterior surfaces that are not disturbed by rehabilitation and on paint-lead hazards that have an area smaller than the de minimis limits of § 35.1350(d) as stated in § 35.930(d)(3).

15.10 National Environmental Policy (NEPA) and Environmental Review

All reimbursement, rehabilitation and reconstruction projects must obtain environmental clearance under 24 CFR Part 58.5, as amended, prior to commitment of any funds. The County has completed a Tier 1 Environmental Broad Review for the Resilient SRQ Housing Recovery Program and will perform Tier 2 site-specific assessments on all projects assisted through the Program.

15.11 Financial Systems

As a CDBG-DR recipient, Sarasota County is required to follow the financial administration requirements outlined in 2 CFR Part 200. These standards help ensure that the financial systems put in place by the County:

1. Provide adequate, current, and complete disclosure of the financial results of all financially assisted activities, in accordance with the grant's financial reporting requirements.
2. Document that funds have been used only for authorized/eligible purposes and meet a National Objective.
3. Maintain accounting records that show the sources and uses of funds, funds authorized, obligated/unobligated balances, assets, liabilities, outlays or expenditures and income.
4. Establish effective internal controls over all cash, real and personal property, and other assets acquired with program funds.
5. Track actual program costs against program budget in a manner that relates to program productivity and accomplishments.
6. Use Uniform Administrative Requirements outlined in 2 CFR Part 200 principles to determine whether program costs are reasonable, allowable, and can be allocated, either directly or indirectly.
7. Maintain source documentation for accounting records.
8. Implement procedures for cash management that permit the timely disbursement to Applicants and complete and accurate monitoring and reporting; and comply with 2 CFR Part 200 Subpart F.
9. Conduct single or program specific audits in accordance with the applicable federal requirements.

15.12 Section 3

Section 3 of the Housing and Urban Development Act of 1968 requires that grantees, subrecipients, contractors, subcontractors, and/or developers funded in whole or in part by CDBG-DR funding, to the greatest extent feasible, extend economic opportunities such as hiring opportunities and contracts to Section 3 eligible residents and businesses. Section 3 eligible residents are low- and very low- income persons who live in the metropolitan area or non-metropolitan county where a HUD-assisted project for housing or community development is located and people who live or reside in public or government assisted housing. Sarasota County is committed to encouraging Section 3 businesses and residents to participate in the Resilient SRQ Housing Recovery Program and requires that all contracts and subcontracts associated with the Program contain Section 3 clauses.

15.13 Americans with Disabilities Act (ADA)

The Americans with Disabilities Act of 1990 (ADA) prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, state, and local government services, public accommodations, commercial facilities, and transportation. It also mandates the establishment of telecommunications devices for the deaf (TDD)/telephone relay services. Sarasota County takes affirmative steps to ensure that people with disabilities have equal access to the programs offered, and that all services are delivered in the most integrated manner possible. The County's mandate to follow the requirements of the ADA flows down to every stakeholder, including program beneficiaries, subrecipients, vendors, and developers.

15.14 Confidentiality/Privacy

The Program is committed to protecting the privacy of all individual stakeholders, including the public and those individuals working on the Program. The Program policies describe how information is to be handled and protected. Some data collected from Program Applicants may contain personal information on individuals that is covered by the Federal Privacy Act of 1974, as well as applicable state laws. These laws provide for confidentiality and restrict the disclosure of confidential and personal information. Collected information shall only be used for limited official purposes:

- By Program staff to ensure compliance with program requirements, reduce errors, and mitigate fraud and abuse;
- By independent auditors hired to perform a financial or programmatic audit of the program to determine compliance with applicable HUD and federal regulations, including the Stafford Act, CDBG-DR requirements, and local laws;

Sarasota County may disclose an Applicant's personal information to those with official Power of Attorney or for whom the Applicant has provided written consent to do so (Communication Designees).

17. Glossary

| Term/Acronym | Definition |
|-----------------------------------|--|
| ADA | Americans with Disabilities Act. |
| Adjusted Gross Income (AGI) | Household's income used for determining eligibility, based on IRS Form 1040. |
| AMI | Area Median Income. |
| Base Flood Elevation (BFE) | The calculated level of floodwater expected during a base flood, affecting floodplain regulations and insurance. |
| CDBG-DR | Community Development Block Grant-Disaster Recovery. |
| CFR | Code of Federal Regulations. |
| Compliance Monitoring | Ongoing oversight to ensure that recipients follow program rules and federal guidelines. |
| DBRA | Davis-Bacon Act and Related Acts. |
| DOB | Duplication of Benefits. Receiving financial assistance from multiple sources for the same recovery-related activity. |
| Environmental Review Record (ERR) | A document evaluating potential environmental impacts of recovery projects, required under NEPA. |
| Feasibility of Construction | The practicality of repairing or rebuilding a property based on costs and technical considerations. |
| FEMA | Federal Emergency Management Agency. |
| FIRM | Flood Insurance Rate Map. A map created by FEMA to designate areas at high risk for flooding. |
| General Contractor | Contractor hired by Implementation Vendor, commonly referred to as subcontractor, construction contractor, general contractor. |
| HUD | U.S. Department of Housing and Urban Development. |
| ICC | Increased Cost of Compliance. |

| | |
|-----------------------|--|
| Implementation Vendor | The County's contracted vendor to assist the County with the Program and to act as a Construction Manager. |
| Income Limits | Thresholds set by HUD to determine eligibility for assistance, based on Area Median Income (AMI) levels. |
| LMI | Low-to-Moderate Income. |
| NEPA | National Environmental Policy Act. |
| NFIP | National Flood Insurance Program. |
| Reconstruction | Rebuilding a home on the same site as the damaged dwelling, typically when repairs are not feasible. |
| Rehabilitation | Repairs or upgrades made to existing homes to bring them to livable standards, meeting health, safety, and energy efficiency requirements. |
| Reimbursement | Financial compensation provided to homeowners for repairs already made, subject to program criteria. |
| Special Case Panel | A panel designated to evaluate applicants with special circumstances or unclear eligibility. |
| Subrogation | The legal right of the program to recover funds from homeowners who receive duplicate benefits from other sources. |
| URA | Uniform Relocation Act. |
| URG | Urgent Need (HUD Objective). |