



ORANGE COUNTY CDBG-DR RENTAL HOUSING REHABILITATION PROGRAM

Policies and Procedures Manual

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VERSION HISTORY

Version	Date	Revision Description
V1	8/18/25	

1 INTRODUCTION

This document is designed to address program policies and provide general guidance for the use of Community Development Block Grant – Disaster Recovery (CDBG-DR) funds appropriated on May 18, 2023, through Federal Register Notice FR-6393-N-01, under Public Law 117-328 to Orange County, Florida in response to the damage caused by Hurricane Ian on September 28, 2022. Hurricane Ian made landfall in the state of Florida as a Category 4 hurricane. Although not a direct hit to Orange County, Hurricane Ian caused unprecedented flooding and damage to housing, businesses and infrastructure. Hurricane Ian demonstrated the need for Orange County to have an effective, comprehensive long-term recovery plan that would address the immediate needs of the local community following a catastrophic event. Although Orange County has begun the recovery efforts in the aftermath of Ian, significant unmet needs remain.

Recognizing the requirement included in Federal Register Notice, Housing Recovery is one of the primary focuses of Orange County's disaster recovery for both homeowners and renters. Specific activities are included in Orange County's HUD-approved CDBG-DR Hurricane Ian Action Plan.

1.1 Program Overview

Funds allocated for the Rental Housing Rehabilitation Program (RHRP) (\$15,000,000) will provide for the repair, rehabilitation, reconstruction, or replacement of multifamily housing units serving low-income households that were damaged or destroyed by Hurricane Ian.

The Program aims to support the rehabilitation or replacement of multifamily rental properties in Orange County by addressing disaster-related damages, such as remediating mold and other issues caused by water intrusion due to Hurricane Ian. Additionally, funds may also be used to incorporate other disaster mitigation measures. While RHRP does not endeavor to replace properties in a "like-for-like" manner, it will incorporate mitigation, green building, and energy efficiency measures to make assisted units more resilient in the face of future disasters. Using a flexible and adaptive model, the program will provide CDBG-DR funding to create or preserve long-term affordable rental housing for low-to-moderate income (LMI) households, with a focus on serving special needs and other populations.

This objective will be served through program activities such as the rehabilitation, reconstruction, or replacement of damaged affordable rental housing, to be used as long-term, affordable rental housing for low and moderate income (LMI) households.

This manual provides options for use of CDBG-DR funds to:

- Rehabilitate existing affordable multifamily rental housing;
- Reconstruct or rebuilding of an existing multifamily rental property, on the same site, in substantially the same manner, and for the same purpose as the original structure;

This manual only addresses the RHRP and is not intended to be a full compilation of all internal program policies and procedures that Orange County and its consultant follow to ensure effective administration of its CDBG-DR funding allocation. The funds within the RHRP will be awarded to applications competitively from eligible applicants through a Request for Applications (RFA) process.

1.2 Contact Information

Orange County's Housing and Community Development (OCHCD) Division is responsible for ensuring compliance with HUD CDBG-DR funding.

To connect with OCHCD regarding these efforts, please contact:

Email: Disaster.Recovery@ocfl.net

Phone: 407-836-5156

2 ROLES AND RESPONSIBILITIES

2.1 Lead Agency

Orange County's Housing and Community Development Division (OCHCD) is the HUD grantee and lead agency responsible for administering all CDBG-DR funds allocated to Orange County and providing oversight to the subrecipient agency to ensure compliance requirements with respect to its CDBG-DR funds are adhered to.

OCHCD is responsible for the following:

- Grant Management;
- Daily program management;
- Provision of pre-award and post-award technical assistance to Subrecipients and other Orange County department staff carrying out approved activities;
- Review of applications for funding eligibility;
- Review and approval of all payment requests;
- Monitoring of outcomes/performance goals and project timelines;
- Serving as the Technical Review Team;
- Facilitation of Evaluation Committee;
- Presentation of application and award packets to the Board of County Commissioners;
- Subrecipient/Developer agreement development and execution;
- Monitoring of Subrecipients and other Orange County departments;
- Performance of on-site inspections of affordable housing developments and monitoring of subrecipients/developers during the affordability period.

- Management of vendors/contractors;
- Disaster Recovery Grant Report (DRGR) reporting;
- Recordkeeping and record retention; and
- Grant closeout

2.2 Orange County Grant Administration Team (Consultant)

The Orange County Grant Administration Team, in collaboration and with the lead agency, will provide general management services to include, project implementation, staff augmentation, construction management and grant compliance and monitoring as needed. All activities must be carried out in full compliance with HUD requirements and under the general direction of the County.

The Grant Administration team will be responsible for, but not limited to, the following:

- Ensuring compliance with 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- Ensuring compliance with 24 CFR Part 58 Environmental Review requirements.
- Providing all necessary equipment and supplies for its staff working under this contract.
- Establishing an organizational structure with proper administrative and construction oversight.
- Assisting in drafting procurement documents for OCHCD review and approval prior to solicitation.
- Developing program standards and policies;
- Developing workflows;
- Assisting in developing Requests for Applications processes;
- Developing applications and forms;
- Developing intake and review processes;
- Evaluating eligibility criteria;
- Providing technical assistance to applicants;
- Providing technical assistance to subrecipients/developers and County staff;
- Tracking project performance and monitoring project progress;
- Verifying and ensuring no duplication of benefits process;
- Creating the scoring and ranking structure for projects;
- Developing appeal criteria and processes
- Meeting at least monthly, potentially more frequently, with OCHCD staff and cooperating on monitoring and compliance reviews for contract oversight; and
- Assisting with other County needs related to management of CDBG-DR programs, if requested.

2.3 Subrecipients and Developers

A subrecipient is defined by 2 CFR 200.93 as a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

A developer is a for-profit or private nonprofit entity that the grantee provides CDBG-DR assistance for the development, acquisition and/or rehabilitation of affordable housing units. Developers are program beneficiaries and thus distinct from Subrecipients, grantee employees, and contractors. Developers may receive CDBG-DR funds from either the grantee or a subrecipient. Public Housing Authorities are public agencies and therefore are unable to be a developer.

Orange County may make awards to eligible Subrecipients or Developers to administer eligible activities under the RHRP. By entering into a Subrecipient/Developer Agreement, the organization agrees to:

- Assume all areas of responsibility for administering the scope of work in accordance with established program guidelines, within approved budget, and within the approved timeline. The Subrecipient/Developer Agreement will contain all compliance and key requirements for the performance of the project;
- Actively participate in Orange County-provided technical assistance sessions and regularly scheduled meetings;
- Provide complete reports on time;
- Ensure staff are available for Orange County, HUD, HUD OIG, and other monitoring visits or audits;
- Maintain recordkeeping requirements;
- Submit all required documentation into Orange County's system of record, ensuring files are always compliant and updated;
- Comply with National Objective requirements, Housing Quality Standards (HQS) by submitting the tenant's income, rents, and other CDBG-DR rental requirements during the period of affordability.
- Maintain records for post-closeout compliance requirements; and
- Contact Orange County if they need additional technical assistance to meet all compliance and performance requirements.

3 CDBG-DR ELIGIBILITY CRITERIA

This section includes the primary compliance areas of responsibility that apply to CDBG- DR funded multifamily housing repair and rehabilitation activities.

3.1 Meeting a National Objective

All activities funded by the Rental Housing Rehabilitation Program (RHRP) must meet the Low/Moderate Income Benefit (LMI) National Objective. More specifically, under the LMI Benefit National Objective, this Program will be identified as a Low/Moderate Income Housing Benefit (LMH) activity.

The LMH objective includes activities undertaken which improve or provide permanent residential structures that will be occupied by low/moderate income households.

To meet the housing LMI national objective, assisted multi-family housing structures must be at least 51 percent occupied by LMI households.

3.2 Eligible Activities

Eligible activities must be undertaken in Orange County, Florida. Eligible and ineligible categories of activities are determined by HUD. All activities and potential projects must be compliant with CDBG Eligible Activities per 24 CFR 570.201 through 570.207. The following activities under the Housing and Community Development Act of 1974 (HCDA) are eligible for multifamily housing activities within this program:

- **Rehabilitation of Multi-Family Housing** includes the rehabilitation of multifamily units (labor, materials, and other costs of rehabilitation of properties)
- **Reconstruction or Replacement of Multi-Family Housing** includes the soft and hard costs related to reconstruction or replacement of damaged housing units, including the demolition of the previous damaged units

For the purposes of CDBG-DR funds, multifamily housing is defined as five or more units per structure.

Eligible costs include:

- Architectural and engineering design
- Permitting fees
- Mobilization, site prep, and clean up
- Rehabilitation or Reconstruction costs, including demolition costs
- Activity delivery costs for Subrecipients to implement their program, including staff time and environmental reviews for funded Projects

3.2.1 Ineligible Activities

Ineligible activities are defined in 24 CFR 570.207, and include, but are not limited to, buildings or portions thereof used for conduct of government; general government expenses; political activities; or purchase of equipment.

Ineligible costs include:

- Pre-application costs and application development costs
- Developer fees

- Advances of any type, including construction
- Facility operating or maintenance expenses

Orange County reserves the right to approve or deny the applicability and eligibility of costs on a per payment basis. Orange County requires that costs are reasonable and consistent with current market costs for the area where the multifamily rehabilitation or reconstruction will take place.

3.3 Tie-Back to the Disaster

The CDBG-DR program requires documentation demonstrating a direct disaster related impact. Eligible applicants must provide documentation during the RFA process. This documentation includes, but is not limited to, insurance claims or proof of application to FEMA for damage assistance related to Hurricane Ian, or damage inspections with date-stamped pictures of the damage.

Multifamily housing units that aim to qualify for assistance from the RHRP must have remaining damages from Hurricane Ian.

3.4 Applicant Eligibility Criteria

Applicants and proposed activities must meet all of the following requirements. Eligibility for specific programs will be defined in applicable RFAs. Eligibility criteria includes:

- Applicant is a non-profit entity located within Orange County Florida that owns (ownership prior to Hurricane Ian required) an existing qualifying multifamily structure, who is also a legally formed entity qualified to do business in the State of Florida as of the application deadline.
- Applicant may also be a Public Housing Authority (PHA) – government or quasi-government agency located within Orange County, Florida, that operates under the oversight of the U.S. Department of Housing and Urban Development (HUD).
- Applicant may also be a for-profit developer, if and only if, in partnership with a non-profit entity who has interest in the limited partnership or has a long-term lease to provide case management services for eligible low-income households.
- Applicant has been in operation for at least 12 months prior to the disaster and has experience operating, managing or developing affordable housing within the last 36 months prior to the application deadline.
- Applicant owns or possesses other legal contract for the use and development of the project site.
- Applicant may not be presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in federal programs, as indicated by System for Award Management (www.SAM.gov). **Any Applicant on the excluded parties list (www.sam.gov/SAM/) will be considered ineligible for funding.**
- Applicant must be in good standing with state and federal taxes (SUTA,

- FUTA, income, etc.) or in an approved and executed repayment plan.
- Applicants may not be, at time of application, party to any active legal or court action related to fair housing and must disclose all legal or court actions in which the applicant is currently involved.

3.5 Property Eligibility Criteria

- Proposed property must be located in Orange County, FL and must be CDBG-DR eligible and meet a national objective.
- Properties must have at least 5 residential units.
- Property must have an adequate number of decent, safe, and sanitary vacant units to temporarily relocate tenants (A Rehabilitation Relocation Plan is required if property is occupied. Please refer to Section 4.2.3 for more information).
- Property must have been owned by an eligible applicant at the time of the qualifying event (Hurricane Ian) and must still be owned by that applicant (Applications that include a leased property(ies) must be submitted in collaboration with the owner and lessee (see also the 3rd bullet under Section 3.4).
- Proposed activities may not exceed project or per unit caps.
- At least 51 percent of the rental housing units must be occupied by households with 80 percent AMI or less upon completion.
- The building footprint (for buildings with residential units) may not be located within or partially within the Special Flood Hazard Area ("SFHA"). Parking is not required to be at or above the building elevation requirements.
- All structures located in the 100-year floodplain must be elevated with the lowest floor, including the basement, at least two feet above Base Flood Elevation (BFE).

3.6 Affordability and Repayment Requirements

To meet the Low/Moderate Income Housing (LMH) national objective, rental housing assisted with CDBG-DR funds must be at least 51 percent (51%) occupied by low- and moderate-income (LMI) households with incomes at or below 80% of the Area Median Income (AMI) for the Orange County-Kissimmee Metropolitan Statistical Area (MSA) at affordable rents. Orange County will utilize the 1040 AGI income determination method for determining the LMI status of households seeking tenancy in the projects covered by this program. HUD requires the adoption and implementation of enforceable affordability standards that comply with or exceed HUD HOME Investment Partnerships Program (HOME) affordability periods for the reconstruction or rehabilitation of affordable rental housing in structures containing five or more units. Affordability periods must be enforceable and imposed by recorded restrictive covenants, deed restrictions or other similar mechanisms. The County will utilize a restrictive covenant in addition to a deferred, forgivable mortgage and note securing the terms of the loan.

Orange County has adopted the following affordability periods for activities funded under this program:

Activity	Minimum Affordability Period	Amortization/Repayment
Multifamily Acquisition and/or Rehabilitation (more than 5 units)	10 years	Determined during RFA process
Multifamily Reconstruction or /Replacement)	20 years	Determined during RFA process

3.7 Affordability and Repayment Mechanisms

Orange County will secure funds provided through a mortgage and note. The terms of the mortgage will depend on CDBG-DR investment and the corresponding affordability period as depicted above.

The mortgage and note will be filed as soon as loan agreement has been executed, in the official records of Orange County, FL.

Orange County will secure continued affordability of the housing units through a restrictive covenant running with the property. The restrictive covenant will be filed as soon as the subrecipient/developer agreement is executed and before work begins, in the official records of Orange County, FL.

3.8 Repayment Terms

CDBG-DR funds will be provided to Subrecipients/Developers in the form of a forgivable loan with pro-rata forgiveness based on the affordability period applicable to the activity type. Reconstruction/replacement projects shall be subject to a 20-year affordability period, while acquisition and rehabilitation activities shall be subject to a 10-year affordability period. The amount of benefit that is subject to repayment if the subrecipient/developer breaks the terms of the compliance period will be determined by straight-line, linear, annual amortization schedule of the loan over the 10-years (or 20-years for reconstruction or replacement projects) compliance period. The table below outlines the repayment schedule should the subrecipient/developer sell the property or fail to comply with the affordability requirements during the ten (10) years compliance period.

Date of Compliance Breach	Amount of Repayment Due to OCHCD
Month 0 – Month 12	100% of grant award
Month 13 – Month 24	90% of grant award
Month 25 – Month 36	80% of grant award
Month 37 – Month 48	70% of grant award
Month 49 – Month 60	60% of grant award

Month 61 – Month 72	50% of grant award
Month 73 – Month 84	40% of grant award
Month 85 – Month 96	30% of grant award
Month 97 – Month 108	20% of grant award
Month 109 – Month 120	10% of grant award
Beyond Month 120	0% of grant award

The table below outlines the repayment schedule should the subrecipient/developer sell the property or fail to comply with the affordability period requirements during the twenty (20) years compliance period.

Date of Compliance Breach	Amount of Repayment Due to OCHCD
Month 0 – Month 12	100% of grant award
Month 13 – Month 24	95% of grant award
Month 25 – Month 36	90% of grant award
Month 37 – Month 48	85% of grant award
Month 49 – Month 60	80% of grant award
Month 61 – Month 72	75% of grant award
Month 73 – Month 84	70% of grant award
Month 85 – Month 96	65% of grant award
Month 97 – Month 108	60% of grant award
Month 109 – Month 120	55% of grant award
Month 121 – Month 132	50% of grant award
Month 133 – Month 144	45% of grant award
Month 145 – Month 156	40% of grant award
Month 157 – Month 168	35% of grant award
Month 169 – Month 180	30% of grant award
Month 181 – Month 192	25% of grant award
Month 193 – Month 204	20% of grant award
Month 205 – Month 216	15% of grant award
Month 217 – Month 228	10% of grant award
Month 229 – Month 240	5% of grant award
Beyond Month 240	0% of grant award

4 PROGRAM REQUIREMENTS

4.1 Maximum and Minimum Awards

The maximum award for Rental Rehab projects will be \$4,000,000 per project or per awardee.

The minimum award per project is \$1,000,000.

4.2 Per Unit Maximum Subsidy

The Orange County Hurricane Ian Action Plan places a per-unit maximum subsidy of all CDBG-DR awarded affordable Multifamily housing projects as follows:

Rehabilitation Maximum Assistance:

The maximum assistance to rehabilitate damaged affordable rental units is \$100,000 per unit.

Reconstruction/Replacement Maximum Assistance:

The maximum assistance to reconstruct/replace damaged affordable rental units is \$200,000 per unit.

Orange County reserves the right to award more or less CDBG-DR funding than the amount of funds requested based upon funding availability and review of those exceptions on a case-by-case basis.

4.3 Priorities and Selection Criteria

Orange County has identified the following priorities for consideration under this Program. Each priority will be considered in scoring applications for funding.

4.3.1 Hazard Mitigation & Resiliency Focused:

- Risk Reduction: The extent to which the proposed projects demonstrate a clear contribution to reducing risks from future natural hazards (e.g., flooding, hurricanes, wildfires, extreme heat, etc.).
- Resilient Design: Proposals that incorporate resilient construction practices and materials that improve long-term sustainability and durability.
- Scalability and Replicability: Priority will be given to projects that can be scaled, replicated, or serve as models for future mitigation or resiliency efforts.

4.3.2 Organizational Capacity to Implement

Applications will be prioritized based on the applicant organization's ability to demonstrate:

- Proven Experience with Federal Grant Management: Prior Successful administration of HUD CDBG, CDBG-DR, FEMA, or similar federal funds, including compliance with uniform administrative requirements and reporting standards.
- Staffing and Technical Expertise: Sufficient and qualified personnel with expertise in project management, construction, procurement, environmental compliance, and financial oversight.
- Strong Internal Controls and Financial Systems: Established financial management systems with clear internal controls, cost reasonableness procedures, and audit readiness.
- Demonstrated Success in Similar Projects: A track record of implementing projects of comparable size, scope, and complexity, preferably involving hazard mitigation or resiliency components.

4.3.3 Government-assisted:

Government-assisted affordable housing projects to include federal, state, local/county that is still active (i.e. project-based, housing choice vouchers, subsidized, LIHTCs, government assisted contracts where the regulatory agreements are within 5 years of expiration).

4.3.4 Housing that Meets Community Needs:

The extent to which the proposed activity provides, or will provide upon completion, affordable housing units for occupancy by extremely low (30% or below AMI), very low-income (50% or below AMI) households, age-dependent households, and/or other special needs populations.

- Vulnerable populations (potential targets)
- # of affordable units (potential targets)

4.3.5 Relocation of Tenants (if applicable):

The extent to which the proposed activity provides for minimizing displacement of tenants during construction that considers a cost-effective, tenant-sensitive approach. If applicable, applications must include a Relocation Rehabilitation Plan to include the following:

- A detailed **phasing plan** outlining how tenants will be rotated into available units;
- A **unit availability matrix** showing current and projected vacancies;
- A **communication plan** for tenant engagement and advance notice;
- An explanation of how your approach minimizes disruption and supports tenant stability.

4.3.6 Supportive Services:

The extent to which the proposed activity provides, or will provide upon completion, on-site or referrals for supportive services including, but not limited to the following:

- **Health and Wellness:** mental health support, case management, traveling medical and physical health services,
- **Economic Mobility:** job placement assistance, job fairs, financial literacy, job training,
- **Education:** childcare, after-school, summer academic enrichment programs, colleges, technical training, college readiness, and GED programs.

NOTE: Supportive services are not eligible costs under this program and may not be funded with program dollars. However, the County will prioritize projects that incorporate supportive services, provided applicants identify alternative funding sources to cover these costs,

4.4 Additional Requirements

4.4.1 Rent Limits

Multifamily rental projects must have rent and occupancy requirements that ensure that the units are affordable to and occupied by Low/Moderate Income households. Projects must use:

- Rent that does not exceed the High HOME Rent limit based on the applicable bedroom size as determined and published annually by HUD (High HOME Rents):

https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_FL_2024.pdf

5 APPLICATION AND AWARD PROCESS

5.1 Request for Applications (RFAs)

All proposed projects must respond to an official RFA. Applications will be received through an online application portal. Orange County anticipates publishing a minimum of one RFA for affordable housing rehabilitation of multifamily housing units.

Attendance at pre-application meetings may be required before the applicant is granted access to the online application portal. (NOTE: Meeting attendance requirements are defined in the RFA.)

5.1.1 Pre-Application Meetings

After the RFA has been published, entities wishing to apply may be required to attend a Pre-Application Conference. Meeting attendance requirements are defined in the RFA. During the conference, Orange County will provide an overview of the application requirements, schedule of events, a description of available support documents and resources to applicants and will answer questions from Applicants. Details on the date and time will be included in the RFA documents. Orange County will host at least one Pre-Application Conference, which may be attended virtually.

5.1.2 Technical Assistance Office Hours

During the RFA application period, Orange County will host a minimum of one technical assistance workshop, where the County will be available to provide program clarification, and answer questions specific to the RFA as well as any specific project related questions during the pre-award step.. If a project is not selected for funding, the County offers technical assistance to applicants to help strengthen future proposals.

5.1.3 How to Apply

All applicants are required to submit their application and all support documentation through Orange County's system of record. Applications will not be accepted through email, mail, or in person. Applicants may request support

with setting up their account within the system of record. Contact information for technical support will be included in the RFA.

5.2 Application Review and Selection Process

The RFA will include a description of the application review and selection process, including each of the following elements:

- Eligibility review;
- Requests for information from applicants;
- Financial Stability Review;
- Duplication of Benefits Review
- Evaluation Committee technical review team score and ranking process;
- BCC approval process;
- Conditional award notice;
- Appeals policy and procedures.

5.2.1 Eligibility Review

The RFA will describe the minimum threshold criteria that applicants must meet prior to being scored. This includes a basic minimum eligibility review to ensure applicants meet definition of nonprofit organization status and property status is eligible based on program requirements. See Section 3.4 and 3.5 for more information on eligibility criteria.

5.2.2 Request for information from applicants

This period constitutes the designated timeframe for respondents to submit any required documentation or information that was not included in their initial application submission.

5.2.3 Project Budget and Financial Stability Review

This review is conducted to assess the cost-reasonableness, overall financial debt and long-term sustainability over the term of affordability. This is not a complete analysis of the project's health and viability where the project's operating budgets, projected cash flows, funding sources, debt service coverage, and reserve requirements are evaluated. However, the project's liens and foreclosure projections will be examined. The applicant must provide a budget narrative, scope of work and proposed project budget to include a detailed description of anticipated costs by category. Within the project budget, the applicant must also provide the basis for costs estimated for each line item that applies to the project. The budget will also show the anticipated and committed sources of funding. The commitments of the funding sources should be documented and included in the application. Proposed projects will be reviewed for fairness and reasonableness considering price, quality, delivery timetable and benefit to low to moderate income residents and communities. The project budget review will also include a review of line-item budget for final acceptance, including confirmation the budget is in line with program caps included in the program policy and RFA (e.g., minimum and maximum awards, limitations on activity delivery costs, etc.).

5.2.4 Duplication of Benefits Review

This review ensures that federal funds awarded do not duplicate assistance received from other sources, included but not limited to FEMA, SBA, insurance proceeds, or other federal, state, local, and charitable aid. Applicants are required to disclose all sources of disaster-related assistance received that they have access to, and funding awards may be reduced accordingly to prevent duplication. *Only eligible applicants will undergo a DOB Review.

5.2.5 Exceptions Review Process

To ensure transparency in the application review process, applicants may request an exception to certain program requirements outlined in the RFA, provided the request does not conflict with applicable federal regulations governing CDBG-DR, including 24 CFR Part 570. Exception requests must be submitted in writing as part of the full application package and accompanied by a detailed justification and any supporting documentation. The County will review whether the exception request is permissible under CDBG-DR regulations and assess whether granting the exception maintains the integrity, fairness, and competitiveness of the RFA process.

Based on the nature of the exception request, the County will determine whether the exception supports the overall goal of the program, including a benefit to LMI persons, and alignment with the Action Plan. The County will issue a written determination to the applicant regarding the outcome of the request.

Note: Exceptions that violate federal statutory or regulatory requirements will not be considered. Applications that are dependent on approval of such may be deemed ineligible.

5.2.6 Evaluation Committee Review Team Score and Ranking Process

To ensure that projects are selected fairly, the County will use an evaluation committee composed of a variety of stakeholders who will utilize a scoring system with multiple criteria for each application. Prior to being scored, applications must meet the eligibility requirements, including relocation, to be considered for scoring. The exact membership of the evaluation committee will be finalized prior to the RFA closing date. Once the RFA closes, the evaluation committee will receive the applications packages for review, and members will be provided with an overview of the process and review of the evaluation criteria, and overview of relocation process.

5.2.7 Board of County Commissioners (BCC) Approval Process

Once all members of the Evaluation Committee have submitted their scores, the committee will discuss the scores, and all applications will be given an average score. The evaluation committee recommendations will be presented to the Community Development Advisory Board (CDAB) during their scheduled monthly meeting. The CDAB provides a general oversight of the CDBG-DR program and its implementation. Upon review of the evaluation committee recommendations, the CDAB will move to present the recommended projects and associated award amounts to the Board of County Commissioners for the final approval.

5.2.8 Conditional Award Notice

The conditional award is the initial notification issued to an applicant indicating that their project has been selected for potential funding, contingent upon the successful completion of specific post-selection requirements. These requirements may include, but are not limited to, submission of outstanding documentation, completion of environmental reviews, verification of eligibility criteria, financial underwriting, Duplication of Benefits (DOB) review, and any other compliance measures required by program regulations. A Conditional Award does not guarantee funding but serves as a formal step in the review and approval process.

5.2.9 Appeals Policy and Procedure

An appeal is a written dispute requesting a reversal or revision of a determination that affects eligibility and/or assistance. Policies that have been approved and incorporated by a program, statutory and regulatory requirements/guidelines, may not be appealed.

Appeals to rating and ranking decisions are limited to factors related to a violation of established process or program policies. Disagreement with the results of a ranking that followed appropriate processes will be deemed invalid and the appeal will not be considered. Appeals are limited to:

- Technical errors of eligibility determination, award calculation, or scoring, such as a mathematical miscalculation by the technical or Evaluation Committee. Errors in data submitted by the applicant do not qualify for an appeal.
- Violation or variation from established policies or processes.

An appeal can only be made by an applicant regarding their own application. Applicants may ask for summary scoring information prior to the submission of the appeal letter.

Individual ranking committee member scores will not be released to applicants. No applicant shall have the right to appeal a decision from Orange County or the Evaluation Committee relating to another applicant's eligibility, point score, award, denial of award, or any other matter related thereto.

Applicants that do not meet the threshold requirements are not eligible for an appeal.

All applicants may request a de-briefing meeting with Orange County staff to discuss the feedback received on their applications and understand how to make improvements to future applications.

6 AWARD AND AGREEMENT

Projects selected for award will be required to execute a Subrecipient/Developer Agreement upon completion of the final review steps as indicated below. These reviews may be completed concurrently, but all must be completed before final execution of the Subrecipient/Developer Agreement.

6.1 Environmental Review

Prior to executing a Subrecipient/Developer Agreement and moving forward with finalizing the scope of work and budget, Orange County or its Consultant will also complete an environmental review for the proposed activity location, with the agency's participation. No commitment or expenditure of funds will be made for the activity until the environmental review has been completed and Authorization to Use Grant Funds has been received from HUD, if applicable. A commitment is defined as the execution of a Subrecipient/Developer Agreement or obligation of funds with DRGR.

6.2 Pre-Award Risk Assessment for Applicants

Prior to making a Federal award, Orange County is required by 31 USC 3321 and 41 USC 2313 to review information available through any OMB-designated repositories qualification or financial integrity information, such as Federal Awardee Performance and Integrity Information System (FAPIIS), DUN and Bradstreet, and "Do Not Pay". (Please refer to suspension and debarment requirements of 2 CFR Part 180, as well as Federal agency suspension and debarment regulations in Title 2 of the Code of Federal Regulations).

In addition, for competitive grants or cooperative agreements, Orange County must have in place a framework for evaluating the risks posed by applicants before they receive Federal awards. This evaluation may incorporate results of the evaluation of the applicant's eligibility or the quality of the application. If Orange County determines that a Federal Award will be made, special conditions that correspond to the degree of risk assessed may be applied to the Federal award.

In evaluating risk posed by applicants of this RFA, Orange County may use a risk-based approach and may consider items such as the following:

- Financial stability of the organization;
- Quality of management systems and ability to meet Federal management standards;
- History of the prior performance and the applicant's record in managing Federal awards (if any), including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous Federal awards and, when applicable, the extent to which any previously awarded amounts will be expended prior to future awards;
- Reports and Findings from audits performed under Subpart F – Audit Requirements, or reports and findings of any other available audits;
- The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed on non-Federal entities; and

- Quality of the Project Application.

In addition to this review, Orange County must comply with the guidelines on government-wide suspension and debarment in 2 CFR Part 180 and must require non-Federal entities to comply with those provisions. The provisions restrict Federal awards, sub-awards and contracts with certain parties that are debarred, suspended or otherwise excluded from or ineligible for participating in Federal programs or activities.

Based on the criteria set forth in § 200.205, the Federal awarding agency must design and execute a review of risk posed by the applicants when an applicant has a history of failure to comply with the general or specific terms and conditions of the Federal award or failure to meet expected performance goals as described in §200.208.

6.3 Subrecipient/Developer Agreement

The Subrecipient/Developer Agreement negotiation process should be completed within 15 business days, when practicable to avoid delays in execution.

The final Subrecipient/Developer Agreement, applicable exhibits and attachments will be sent via email to the authorized representative for the subrecipient/developer for completion and signature.

Subrecipients/Developers must return signed contract and required insurance documentation to Orange County within 30 days.

Upon receiving the signed original copy of the Subrecipient/Developer Agreement from the Subrecipient/Developer, it will be reviewed for completeness and compliance with insurance requirements.

The Subrecipient/Developer Agreement will then be routed through Agenda Item Report to the BCC for signature. Once the fully executed Agreement is received, Orange County will distribute the fully executed document to the Subrecipient/Developer, retain a copy in the contract file within the system of record, and issue a Notice to Proceed to the Subrecipient/Developer.

Orange County will create the necessary request forms to establish an activity or program in Disaster Recovery and Grant Reporting System (DRGR).

6.3.1 Subrecipient/Developer Agreement Review

The scope of work and budget outlined in the final approved application will serve as the foundation for the initial draft of the Subrecipient/Developer Agreement, subject to any changes required as a result of a final duplication of benefits review or changes post-application.

The first draft of the Subrecipient/Developer Agreement must be provided to the subrecipient/developer within 90 days of the notice of award. Subrecipients/Developers will have an opportunity to review the Agreement prior to

execution and may offer suggested negotiations or changes to the Agreement. Items that could be negotiated include but are not limited to the following:

- Outcomes based on funding requirements, including ensuring that performance and outcomes are measurable.
- Special Provisions or conditions that may be required based on the Initial Risk Assessment or other applicable factors.

6.3.2 Performance Period and Measures

The expected outcome of each award is that the subrecipient/developer or development will create or preserve affordable multifamily housing units, in compliance with all program and HUD requirements. The number of units for each award will be specified in the scope of work and monitored by Orange County throughout the project. The subrecipient/developer will be required to provide access to tenant income documentation and leases to confirm that constructed units are occupied by income qualified tenants and being rented at an affordable rate.

Subrecipients/Developers will also be required to report on the demographic characteristics of tenants.

The performance period and measures for all approved activities will be defined in the Subrecipient/Developer Agreement, MOU, and/or project file, as applicable. OCHCD may approve an extension to the period of performance, contingent on overall grant timeline and HUD approval if the subrecipient/developer demonstrates reasonable justification.

The following depicts the tenant selection process for all subrecipients/developers:

1. Subrecipients/Developers must provide written Tenant Selection Plans to the County prior to lease-up.
2. Waiting lists must be maintained chronologically, with preferences noted.
3. Selection decisions must be documented with justification for acceptance or denial.
4. Lease terms must be at least 12 months, unless otherwise agreed upon.

Preferences, if applicable:

Orange County permits rental projects to adopt local preferences, provided they are clearly disclosed in the Tenant Selection Plan and do not violate fair housing laws. And are approved by Orange County. Permissible preferences may include:

- Individuals or families displaced by Hurricane Ian;
- Elderly or disabled households;
- Veterans
- Households currently residing in Orange County;

Nondiscrimination:

Owners and landlords must comply with all applicable civil rights laws, including but not limited to:

- The Fair Housing Act
- Section 504 of the Rehabilitation Act
- Title VI of the Civil Rights Act of 1964
- The Americans with Disabilities Act

Monitoring and Compliance:

Orange County reserves the right to review tenant files and marketing records at any time during the affordability period. Non-compliance may result in corrective action, withholding of funds, or recapture.

6.3.3 Subrogation Agreement

OCHCD will complete second DOB Review prior to closing. This review is mainly to ensure that funds were not received since the applicant was selected to receive a project award. Applicant awardees will be required to sign a Subrogation Agreement as part of their grant agreement with the Program.

6.3.4 Recapture Provisions

Orange County has elected to use “Recapture” as the primary method of ensuring affordability for low- to moderate-income households. The Subrecipient/Developer Agreement between Orange County and a subrecipient/developer for projects funded with CDBG-DR will include the recapture provision that will be used to ensure continued affordability and will accurately reflect the recapture provisions, requirements that must be imposed on the housing.

6.3.4.1 Triggers for Recapture

Under recapture provisions, financial assistance must be repaid if direct subsidy is provided to the subrecipient/developer and any of the following occurs:

- The property is sold, transferred, or otherwise disposed of before the end of the affordability period.
- The owner/subrecipient/developer fails to maintain rent restrictions or income eligibility requirements for assisted units.
- The subrecipient/developer receives a duplication of benefits (DOB) not disclosed or resolved.
- Misrepresentation or fraud by the property owner/subrecipient/developer during the application or compliance periods.
- Voluntary withdrawal after receiving funds but before full project closeout.

6.3.4.2 Legal Mechanism for Recapture

CDBG-DR funds will be provided to Subrecipients/Developers in the form of a deferred loan. The Rental Rehabilitation Program has affordability periods imposed through mortgage and/or deed restriction provisions filed into the official records of Orange County, FL. Subrecipients/Developers must also execute a Recapture and Subrogation Agreement. The transfer of the property during these periods can result in a repayment obligation to the county. Similarly, failure to comply with the obligations of the program, including but not limited to completion of project/placement into service, expenditure of funds, compliance with federal and state laws, regulations, program requirements, and meeting the housing obligation associated with the program; can result in a default of the obligation to the county and consequences of repayment of outstanding amounts and/or foreclosure on the property.

A subrecipient/developer may be required to repay all or a portion of the funds it was awarded. The reasons for recapture include, but are not limited to, the following:

- Subrecipient/Developer does not comply with the terms of the Subrecipient/Developer Agreement
- A Subrecipient/Developer withdraws from the Program prior to completion of the project and/or fails to meet a HUD national objective
- A project does not meet HUD and/or Orange County requirements
- A Subrecipient/Developer is found to have used program funds for an ineligible activity or cost
- A Subrecipient/Developer receives assistance for the same purpose as the funded CDBG-DR project, including but not limited to, insurance settlement funds, FEMA assistance, nonprofit assistance
- Funds are remaining after the project is completed, the expenditure deadline has passed, or the Subrecipient/Developer Agreement has expired
- Sale, transfer, refinance or foreclosure of the property

6.4 Subrecipient/Developer Agreement Amendments

During the term of the agreement, amendments to Subrecipient/Developer Agreements may be requested by the subrecipient/developer or the County.

Orange County OCHCD may approve amendments, which do not substantially change the original scope of service and statement of work, such as:

- Term extensions
- Reallocation of funds between existing or new expense categories
- Decreases in total budgeted contract funds
- Changes to the legal name of the organization
- Minor adjustments to contract language to correct original omissions
- Clarifications to the original contract intent

The Board of County Commissioners (through an Agenda Item Report) must approve the following types of amendments:

- Changes to program design including outcomes or target population; and
- Changes or additions to the standard agreement language not for the purpose of correcting original omissions or clarifications of original contract intent.
- Changes to project budget

Fully executed amendments shall be distributed to the following:

- Subrecipient/Developer Organization
- Contract File
- OCHCD

Amendment processing will be managed by Orange County per standard subrecipient/developer, MOU, and contract amendment processes.

7 PROCUREMENT

Procurement non-compliance is one of the primary sources of HUD findings or concerns. Because such a large portion of planning costs may be incurred using procured services, Orange County will require all Subrecipients to follow federal procurement requirements. Developers are considered beneficiaries and are not subject to procurement requirements.

7.1 Procurement Policy

Subrecipients must submit their procurement policy to Orange County and the County must confirm the policy to be compliant before issuing a Notice to Proceed.

Subrecipients may be required to update their existing policies to ensure they are compliant with 2 CFR 200.318 – 200.327 and all applicable HUD, state, and local procurement requirements. Subrecipients may choose to adopt Orange County's procurement policy.

7.2 Procurement File Completeness Review

Subrecipients must submit their individual procurement solicitation packages to Orange County and the County must confirm the procurement package is compliant before issuing a Notice to Proceed, which signals the official start of work or activity under the agreement.

Orange County will use relevant sections from the HUD CPD Monitoring Handbook to confirm the procurement package is compliant. Failure to comply with all relevant procurement requirements for an individual procurement may result in a determination from Orange County that those procured goods or services are ineligible. In such cases, Subrecipients will not be reimbursed by Orange County for ineligible costs and

the subrecipient may be required to re-procure the needed goods or services, amend their project budget, and/or identify other funding solutions for completing the plan.

8 CONSTRUCTION MANAGEMENT

8.1 Broadband Infrastructure in Housing

HUD requires that any substantial rehabilitation, reconstruction, or new construction of a building with more than 4 units must include installation of broadband infrastructure.

8.2 Construction, Elevation, and Flood Insurance Standards

HUD requires that CDBG-DR grantees establish construction standards that include green and resilient standards, elevation standards and the improvement of broadband infrastructure installation whenever possible. Additionally, all CDBG-DR housing activities must, at minimum, incorporate hazard mitigation measures. The use of more resilient construction materials and methods is also encouraged. These materials aim to reduce impacts of future disasters and increase long-term affordability of the housing units.

RHRP will abide by the procurement process mandated by federal and state government codes as they are applicable to the program. The standards and guidelines from procurement of supplies, equipment, construction, engineering, architectural, consulting, and professional services have been developed in compliance with federal and state requirements. RHRP has established compliant standards for construction.

RHRP will implement construction methods that emphasize high quality, durability, energy efficiency, sustainability, and mold resistance, as required in the Consolidated Notice. All rehabilitation and reconstruction will be designed to incorporate principles of sustainability, including water and energy efficiency, resilience, and mitigation against the impact of future disasters. RHRP will implement and monitor construction results to ensure the safety of residents, and the quality of homes assisted through the program. All housing units rehabilitated or reconstructed must comply with program standards and must meet all applicable local and state codes, rehab standards, ordinances, and zoning ordinances at the time of project completion. These include the following minimum standards:

Construction will comply with the Green Building Standard for all reconstruction of residential buildings and under the Florida Green Building Coalition; and

All reconstruction must receive a Green Building Certificate from Florida Green Building Coalition for completed projects evidencing successful green building implements and energy efficiency standards were met.

Construction standards will be based on the Florida Building Code (FBC) and must meet or exceed applicable requirements. Due to Florida's unique geography and vulnerability to hurricanes, FBC is especially stringent when compared to federal building codes (including HUD's minimum standards), as well as the building codes of

other states. As such, the implementation of FBC will meet all code requirements, exceeding many current building codes and producing resilient and storm-resistant construction. Where local building codes are more stringent than FBC, RHRP will comply with local building codes.

For rehab projects, the County will follow the HUD Green Building Retrofit Checklist to the extent feasible and applicable to the rehab work undertaken. This will include the use of mold-resistant products when replacing surfaces such as drywall. When older or obsolete products are replaced as part of the rehab work, the rehab is required to use ENERGY STAR-labeled, Water Sense-labeled, or Federal Energy Management Program (FEMP)- designated products and appliances, or other equivalent, when feasible. The HUD Green Building Retrofit Checklist is available at:

To ensure future flood resistance and the safety of local residents and visitors, Orange County requires that contractors and Subrecipients/Developers comply with elevation standards established by the HUD Federal Register Notice, FEMA, and its National Flood Insurance Program (NFIP) defined at 44 CFR 59.1, Insurance and Hazard Mitigation, and 24 CFR 55.2(b)(10). All programs for reconstruction and rehabilitation of substantially damaged or substantially improved structures are required to meet these guidelines:

- For reconstruction of substantially damaged, or substantial improvement structures principally for residential use and located in the 1 percent annual (or 100-year) floodplain must be elevated with the lowest floor, including the basement, at least **two feet** above the 1 percent annual floodplain elevation.
- Mixed-use structures with no dwelling units and no residents must be elevated or floodproofed up to at least **two feet** above the FEMA-designated base flood elevation in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard.
- All Critical Actions, as defined at 24 CFR 55.2(b)(3), in the 500-year floodplain must be Additional information regarding Broadband Infrastructure installation can be found within the Orange County CDBG-DR Construction Standards manual: elevated or floodproofed (in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(2)– (3) or successor standard). FEMA Flood Insurance Rate Maps (FIRMs) for Orange County, which were updated effective Nov. 17, 2022, to incorporate advanced wave and surge modeling, include designated 0.2 percent chance (500-year) floodplains with specified base flood elevations. The elevation requirement will be based on the higher of the 500-year floodplain or **three feet above** the 100-year floodplain. Critical Actions are defined as “any activity for which even a slight chance of flooding would be too great, because such flooding might result in loss of life, injury to persons or damage to property.”
- Nonresidential structures, including infrastructure, assisted with CDBG-DR funds must be elevated to the standards described in this paragraph or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR

60.3(c)(3)(ii) or successor standard, up to at least **two feet** above the 100-year (or one percent annual chance) floodplain. All Critical Actions, as defined at 24 CFR 55.2(b)(3), within the 500-year (or 0.2 percent annual chance) floodplain must be elevated or floodproofed (in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(2)– (3) or successor standard) to the higher of the 500-year floodplain elevation or three feet above the 100-year floodplain elevation. If the 500-year floodplain or elevation is unavailable, and the Critical Action is in the 100-year floodplain, then the structure must be elevated or floodproofed at least three feet above the 100-year floodplain elevation. Activities subject to elevation requirements must comply with applicable federal accessibility mandates.

In addition to complying with all general federal flood insurance requirements, HUD-assisted property owners must comply with provisions specifically tied to receiving disaster response assistance. Section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106), requires that recipients of financial assistance maintain flood insurance. Orange County will ensure that property owners in a Special Flood Hazard Area obtain and maintain flood insurance in the amount and duration prescribed by FEMA's National Flood Insurance Program (NFIP) regardless of whether there is a federally backed mortgage on the property.

8.3 Construction Monitoring, Periodic and Final Inspections

The Subrecipient/Developer is responsible for monitoring the quality, completeness and conformity to specifications of all work performed by third party contractors. Orange County Program staff will also conduct periodic site inspections to ensure continued progress toward completion of construction and to ensure continued compliance.

8.4 Retainage

Orange County shall retain ten percent (10%) from each draw until satisfactory completion of the development or rehabilitation. The final request for disbursement of retainage will be submitted to Orange County no later than sixty (60) days after the termination date of the Subrecipient/Developer Agreement.

8.5 Warranties

HUD requires a warranty period be provided post- construction. The general contractor shall be responsible for fulfilling the warranty, and beneficiaries must receive formal notifications regarding warranty coverage on a periodic basis. The County will monitor the general contractor to ensure compliance with this requirement throughout the warranty period (e.g. 12 months and one month before expiration date of the warranty).

8.6 Construction Disputes

As a condition of receiving federal grant funding for construction-related activity under this program, Subrecipient/Developer and contractor acknowledge and agree that Orange County shall have the right to:

- Periodically inspect Contractor's work;
- Verify Contractor's payment applications and request supporting documentation for payment applications;
- Review and approval of all change orders, claims for extra work or requests for time extension including requests for supporting documentation or schedule analysis;
- Request information concerning construction documents;
- Monitor Contractor's compliance with CDBG-DR rules;
- Assist in the resolution of any dispute between Contractor and owner;
- Review Contractor's good faith efforts under Section 3; and
- Review Contractor's compliance with Davis-Bacon and Related Acts.

Unless otherwise provided in the construction contract, counter-claims, disputes and other matters in question between the subrecipient/developer, owner or contractor, arising out of or relating to the construction contract, or breach of it, will be decided by arbitration, if the parties mutually agree, or in a Florida court of competent jurisdiction at the cost of the contractor or subrecipient/developer.

9 FINANCIAL AND PERFORMANCE MANAGEMENT

9.1 Regular Meetings

OCHCD will coordinate with each subrecipient/developer as applicable to establish a regular meeting schedule. The frequency of these regularly scheduled meetings may vary, depending on the subrecipient/developer risk, need for technical assistance, project status, and/or status with meeting timelines and benchmarks.

9.2 Payment Method and Process

Funding will be provided to Subrecipients/Developers on a cost reimbursement basis based on actual expenditures and percentage of project completion.

9.3 Payment Conditions

The Subrecipient/Developer must complete all conditions specified in the Subrecipient/Developer Agreement before requesting payment. Upon execution of the Subrecipient/Developer Agreement, the Subrecipient/Developer may proceed with implementation of the project. Conditions may include, but are not limited, the following:

- Requirements outlined in the Subrecipient/Developer Agreement
- Procurement documentation
- Contracts documentation
- Insurance and bonding documentation

9.4 Supporting Documentation

Subrecipients/Developers must verify all costs before submitting invoices to the County for reimbursement and provide all required reporting and supporting documentation (e.g., detailed invoices, purchase order, proof of services, and paid itemized receipts requested by the County). At a minimum, the supporting documentation should include:

- Vendor name and contact information
- Invoice number
- Invoice date
- Date of service
- Services performed
- Amount due

Additional documentation may be requested at any time before payments can be made.

9.5 Payment Requests

The Subrecipient/Developer is responsible for billing the County for invoiced costs. The County will review the invoices to ensure all required information is included to pay the subrecipient/developer. Payment requests must be submitted no more than monthly. Before submitting a payment request, the Subrecipient/developer must verify the invoices are accurate and complete, the activities and costs were incurred during the period of performance, and all required supporting documentation is included in the payment request. Orange County will review the payment request to ensure the following:

- The payment request is in the proper format, mathematically correct, and contains all necessary back-up information/documentation, to support the request.
- Expenditures are allowable and allocable according to the contract budget, term, and program guidelines.
- Disbursements are reconciled against the approved budget and prior disbursement records maintained in the system of record.

Payment requests that do not include the required information or supporting documentation will be rejected and returned to the subrecipient/developer to collect the necessary information and resubmit.

9.6 Payment Monitoring and Reconciliation

The County will monitor payment requests and reconcile any issues that may arise as a result. The quality assurance/quality control process will involve, but is not limited to, the following:

- Documentation reviews and data collection during the payment review process.
- Program monitoring to ensure that activities are within program guidelines.
- Program expenditure and payment request review for eligibility based on applicable laws, CDBG- DR requirements, and CDBG regulations.
- Follow-ups regarding identified compliance issues, initiation of corrective actions, and implementation of program controls, as necessary.

9.7 Technical Assistance and Office Hours

Orange County may provide individual technical assistance, training and/or office hours to help Subrecipients/Developers meet their compliance and performance requirements. This is available to Subrecipients/Developers beyond their regularly scheduled meetings.

Publicly available office hours will be noticed on Orange County's website, and the questions and answers will be captured within the County's appropriate Frequently Asked Questions document on the website.

9.8 Reporting

Subrecipients/Developers will submit all reports within the system of record. The Subrecipient/Developer Agreement will specify the date by which reports must be submitted. Orange County OCHCD staff and/or contracted vendor will review the submitted reports and will advise Subrecipients/Developers if additional information is required. Subrecipients/Developers must comply with specified deadlines for submitting the corrected or additional information.

Subrecipients/Developers that fail to submit any required reports or documents by a specified deadline can be suspended and payment withheld until all requirements are satisfied.

9.9 Subrogation: Post Award Duplication of Benefits

All Subrecipients/developers are required to report any additional funds received for project related expenses, including the amount, and when funds were received. If additional funds received are determined to be duplicative, repayment shall be required in accordance with the subrecipient/developer subrogation agreements.

All duplicative assistance received by a subrecipient/developer must be accounted for and remitted to Orange County, regardless of when the subrecipient/developer receives it.

9.10 Fixed Assets (Personal Property): Reporting, Tracking, and Disposition

If a subrecipient/developer receives funds to purchase equipment or personal property with a life of more than one year and an acquisition cost of \$1,000 or more, they will be required to comply with 2 CFR 200.439 guidelines for the allowability of equipment and property.

For additional information, refer to the Grant Administration Manual in the link below.

9.11 Timely Expenditure of Funds

Orange County will establish expenditure deadlines, milestones, and benchmarks for individual activities within the Subrecipient/Developer Agreement or MOU.

HUD has waived the provisions of 24 CFR 570.494 and 24 CFR 570.902 and established an alternative requirement. Hurricane Ian funds appropriated under Public

Law 117-328 must be expended within six years of the date HUD signs the grant agreement with Orange County.

10 CROSS-CUTTING FEDERAL REGULATIONS

There are many cross-cutting federal regulations that apply to CDBG-DR and to the specific eligible programs and projects. The RHRP program will be implemented in compliance with cross-cutting federal regulations.

10.1 Accessibility, Reasonable Accommodations

Program subrecipients/developers will ensure accessibility to persons with special needs and will operate in a manner that does not discriminate or limit access to Program services and benefits to persons with disabilities. Additionally, to ensure that the Program is operating in compliance with Section 504 requirements of the Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA). Subrecipients/Developers will be required to adopt their own Section 504 Compliance Plan or adopt Orange County's, and will assign staff in accordance with its Section 504 Compliance Plan who will:

- Ensure that all facilities where clients will have face-to-face interaction with Program staff are readily accessible and usable by persons with disabilities;
- Appropriately address any identified hearing, visibility, or mobility limitations of Program recipients;
- Work with disabled Program recipients and/or their designee, who has power of attorney or any non-profit organization that is representing the Program recipient, as needed.
- All services listed above can be provided upon verbal or written request from the Program recipient. No additional documentation is required.

In addition, Orange County and its subrecipient/developer partners under this Program will comply with Section 508 requirements regarding the accessibility to electronic and information technology for individuals with disabilities (<https://www.section508.gov/>). Orange County's management assists with ensuring that all public communications, including its Orange County website, meet Section 508 requirements. Subrecipients/Developers will ensure that any program-related application documents and marketing materials are available on the subrecipient/developer's website and in compliance with Section 508 requirements.

10.2 Americans with Disabilities Act

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). Orange County takes affirmative steps to ensure that people with disabilities have equal access to the programs offered by Orange County, and that all services are delivered in the most integrated manner possible. Qualified persons with disabilities are informed of the availability of program services and activities, and Orange County's programs or services are readily accessible to, and usable by, individuals with disabilities. Orange County also ensures that reasonable modifications or changes to policies, practices, or procedures are made to guarantee people with disabilities equal access.

Subrecipients/Developers are required to develop an ADA policy or adopt Orange County's. Subrecipients/Developers are required to demonstrate compliance with the ADA through the provision of reasonable accommodations to ensure that housing units are accessible and useable by persons with disabilities.

10.3 Section 3

Section 3 mandates that the economic opportunities funded by CDBG be directed towards low- and very low-income workers, especially those residing in public or government-assisted housing. Subrecipients/Developers using CDBG-DR funds for housing or public construction must, to the extent possible, offer training and employment opportunities to lower-income residents and provide contracting opportunities to businesses within the project area. Priority should be given to Section 3 workers from the local area or participants in YouthBuild programs whenever feasible.

OCHCD enforces compliance with Section 3 by requiring affirmative action plans and documentation. The Section 3 Clause and Contractor Certification of Efforts to Comply with Section 3 must be included in all bid packets for CDBG-DR projects. Additionally, all bidders must be notified that adherence to the Subrecipient/Developer's Section 3 Plan is mandatory for contracts and subcontracts over \$200,000.

Section 3 of the Housing and Urban Development Act of 1968 (Rule 24 CFR Part 75) applies to all HUD-funded projects that exceed \$200,000. If the project is below \$200,000, then Section 3 does not apply, however, recipients that are not subject to Section 3 are encouraged to consider ways to support the purpose of Section 3.

10.4 Davis-Bacon and Related Acts (DBRA) Labor Standards

HUD funded housing construction projects consisting of properties with eight (8) or more residential units are subject to Davis-Bacon regulations and applies to contractors and subcontractors carrying out federally funded or assisted contracts in excess of \$2,000 for corresponding work on similar projects in the area.

Other related acts that could apply include:

- Contract Work Hours and Safety Standards Act- For prime contracts in excess of \$100,000, contractors and subcontractors must also pay laborers and mechanics, including guards and watchmen, at least one and one-half times their regular pay for all hours worked over 40 in a work week.

- The Hatch Act- A federal law passed in 1939, limits certain political activities of federal employees, as well as some state, D.C., and local government employees who work in connection with federally funded programs. The law's purposes are to ensure that federal programs are administered in a nonpartisan fashion, to protect federal employees from political coercion in the workplace, and to ensure that federal employees are advanced based on merit and not based on political affiliation.
- Copeland "Anti-Kickback" Act- requires that workers be paid weekly, that deductions from workers' pay be permissible, and that contractors maintain and submit weekly payrolls.

Additionally, Orange County, its subrecipients/developer and contractors must follow the reporting requirements per HUD and U.S. Department of Labor (DOL) regulations. Orange County will monitor to ensure that its CDBG-DR program and services are in compliance with DBRA through the submission of certified payroll records and interviews of prime and subcontractor laborers. Orange County will track, review, and monitor weekly payroll submissions by contractors.

10.4.1 Fair Labor Standards Act of 1938, as Amended

The Fair Labor Standards Act of 1938, as amended (FLSA), establishes the basic minimum wage levels for all work and requires the payment of overtime at the rate of at least one and one-half times the basic hourly rate of pay for hours worked in excess of 40 per week. These labor standards are applicable to the entire construction contract whether or not CDBG-DR funds finance only a portion of the project. Excluding the exceptions listed below, all workers employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under Orange County's CDBG-DR program, must be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended.

In some cases, Florida Prevailing Wages and Davis-Bacon Prevailing Wages both apply. In such instances, the higher of the two prevails. Exceptions to FLSA include:

- Construction contracts of \$2,000 or less;
- Real property acquisition;
- Architectural and engineering fees;
- Other services (such as legal, accounting, construction management);
- Other non-construction items (such as furniture, business licenses, real estate taxes);
- Rehabilitation of residential property designed for fewer than eight families; and
- Debris removal, demolition, and/or clearance activities, unless related to construction (demolition and clearance as independent functions are not considered construction).

10.5 Uniform Relocation Act (URA) and Real Property Acquisition

In order to carry out Program activities in compliance with URA requirements, Orange County has adopted the *Uniform Relocation Act (URA) Policy*. This document provides program staff and contractors with Standard Operating Procedures to meet URA requirements for the temporary and permanent displacement of tenants.

Subrecipients/Developers are required to comply with the URA in the event that any CDBG-DR funded activities result in a displaced person. Displaced person is defined as any person who moves from the real property or moves his or her personal property from the real property as a direct result of written notice of intent to acquire, the initiations of negotiations for, or the acquisition of such real property in whole or in part as a direct result of a federally funded project. A person can be an individual, family, partnership, corporation, or association.

In this program, URA requirements will apply where there is a tenant living in a property where CDBG -DR funds are used. The program aims to follow the URA guidelines established for temporary, and when applicable, permanent relocation. Eligible tenants are not considered voluntary participants in the program and will be eligible for either temporary or permanent URA assistance depending on the number of months the Tenant must be displaced.

10.5.1 Residential Anti-Displacement

Subrecipients/Developers must adopt the Orange County Residential Anti-Displacement and Relocation Assistance Plan (RARAP) or adopt a local RARAP that meets the requirements established by Orange County.

Subrecipients/Developers or contractors must also provide the following benefits to households or businesses that they displace:

- Relocation advisory services;
- A minimum of 90-day notice to vacate;
- Reimbursement for moving expenses; and
- Payments for added cost of renting or purchasing comparable replacement housing.

Additional information and instructions can be found in Orange County's Residential Anti-Displacement and Relocation Assistance Plan (RARAP). A copy of the RARAP may be obtained by submitting a request to: Disaster.Recovery@ocfl.net.

10.6 Citizen Participation

All applicants are encouraged to engage the local community and intended beneficiaries in the planning, design, and development of affordable multifamily housing activities.

Subrecipients/Developers must follow the Citizen Participation Plan (CPP).

10.7 Complaints

Subrecipients/Developers must adhere to Orange County's complaints policy (described below) or adopt a separate, but compliant, policy of their own. The policy must be posted online or in a publicly accessible area within the assisted property. The policy must contain the address, phone number, email address, and process for submitting complaints and grievances. The Subrecipient/Developer must provide timely written answers to written complaints and grievances within 15 business days, where feasible.

A complaint is defined as a written or verbal statement or grievance that a situation or behavior is unsatisfactory or unacceptable: (1) a Fair Housing or other discriminatory allegation; (2) an allegation of fraud, waste, or abuse; and/or (3) communication of dissatisfaction of a program and/or personnel. Subrecipients/Developers can file a complaint:

- Regarding their delivery of service
- Staff actions
- Perceived violation of their rights
- Eligibility determination

When appropriate, the County encourages Subrecipients/Developers and beneficiaries to try to resolve their concerns or disputes directly with a staff person before engaging in a grievance process. If those efforts do not resolve the issue, they may engage the formal complaint procedure.

Subrecipients/Developers and beneficiaries may express their concerns in writing to the email or mailing address below.

Via email at: Disaster.Recovery@ocfl.net

Mailed to: Orange County Housing and Community Development Division

ATTN: CDBG-DR Program 525 E. South Street, Orlando, FL 32801

OCHCD staff will investigate the complaint and provide a written response to the Subrecipient/Developer or beneficiary within 15 working days after receiving the complaint.

Complaints will be handled sensitively and fairly. A thorough review of any applicable program documentation and Subrecipient/Developer Agreements will be conducted, as well as careful implementation of policies and procedures, and clear and respectful methods of communication will be used to help prevent and resolve complaints.

The public may submit complaints related to CDBG-DR funded activities through any of the following means:

Via email at: Disaster.Recovery@ocfl.net

Online at: www.ocfl.net/CDBG-DR

Mailed to: Orange County Housing and Community Development Division

ATTN: CDBG-DR Program 525 E. South Street, Orlando, FL 32801

The complaint will clearly state what the activity and associated program is, the nature of the complaint or grievance, and the name, address, and day and evening telephone numbers of the person filing the complaint. Upon receipt of a complaint, County staff will prepare a written substantive response to the complainant within 15 working days.

Concerns that are sensitive in nature where the Subrecipient/Developer or beneficiary is afraid to address the issue directly with a staff person, may request to have their complaint or grievance heard by Division Manager or Assistant Manager.

Complaints alleging violation of fair housing laws can be made to HUD's office of Fair Housing and Equal Opportunity for Region 4, via phone at (800) 440-8091 or via email to complaintsoffice04@hud.gov.

10.8 Fraud, Waste and Abuse

To demonstrate adequate procedures are in place to prevent fraud, waste, and abuse, Orange County will make available to HUD detailed Fraud, Waste, and Abuse Policies and Procedures in the Grant Administration Manual.

To maintain accountability for the use of public funds, the Orange County Comptroller has established the County Audit Division (County Audit) to review allegations of fraud, waste, and abuse of County property and resources. Orange County's citizens or County employees may contact the County Audit Division's Fraud Hotline in instances where fraud, waste, or abuse of County assets or resources are suspected. Individuals are not required to provide their name.

Orange County Fraud Hotline: (407) 836-5775

Complaints alleging fraud, waste, or abuse of funds will be forwarded to the HUD OIG Fraud Hotline: 1-800-347-3735 or 1-800- 877-8339 TTY/ASCII; email: hotline@hudoig.com.

10.9 Procurement

Funding for the Rental Housing Rehabilitation Program (RHRP) will be awarded to eligible applicants based on a competitive selection process. Orange County will require the submission of project applications in response to competitive Request for Applications (RFAs) and for all prospective eligible applicants. Orange County and Subrecipients/Developers must follow federal, state, and local procurement standards including but not limited to:

- Procurement standards set forth at 2 CFR 200.317 - 200.327
- Orange County Procurement Procedures Manual

Whenever procurement processes conflict, entities must comply with the more stringent regulation.

All procurement processes funded with CDBG-DR funds must uphold the principles of:

- Full and open competition.
- Cost/Price analysis (Independent Cost Estimate) done prior to receipt of bids or review of proposals. This is the area where most HUD findings have occurred historically, because the analysis was not independent, or it was not documented prior to receipt of bids or proposals.
- Maintaining records sufficient to detail the history of procurement.

10.10 Conflict of Interest

There are two sets of conflict-of-interest provisions applicable to activities carried out with CDBG-DR funding. The first set, applicable to the procurement of goods and services by subrecipients/developers and County divisions, is the procurement regulations located at 24 CFR 84.42 and 85.36. (See 24 CFR 570.611(a)(1).) The second set of provisions is located at 24 CFR 570.611(a)(2). These provisions cover situations not covered by Part 200.318.

With respect to procurement activities, Orange County requires that a subrecipient/developer must maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. At a minimum, these standards must:

- Require that no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for an award:
 - an employee, officer, or agent of the subrecipient/developer;
 - any member of an employee's, officer's, or agent's immediate family;
 - an employee's, agent's, or officer's partner; or
 - an organization which employs or is about to employ any of the in the preceding section.
- Require that employees, agents, and officers of the subrecipient/developer neither solicit nor accept gratuities, favors, or anything of value from contractors, or parties to sub agreements. However, subrecipients/developers and County divisions may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value.
- Provide for disciplinary actions to be applied for any violations of such standards by employees, agents, or officers of the subrecipient/developer.

With respect to all other CDBG-DR assisted activities, the general standard is that no employee, agent, or officer of the subrecipient/developer, who exercises decision-making responsibility with respect to CDBG-DR funds and activities, is allowed to obtain a financial interest in or benefit from CDBG-DR activities, or have a financial

interest in any contract, subcontract, or agreement regarding those activities or in the proceeds of the activities. Specific provisions include that:

- This requirement applies to any person who is an employee, agent, consultant, officer, or elected or appointed official of the grantee, a designated public agency, or a subrecipient/developer, and to their immediate family members, and business partner(s).
- The requirement applies for such persons during their tenure and for a period of 1 year after leaving the grantee or subrecipient/developer organization.
- Upon written request, exceptions may be granted by HUD on a case-by-case basis, after consideration of the cumulative effect of various factors listed at 24 CFR 570.611(d), and only with: (a) full disclosure of the potential conflict, and (b) a legal opinion of the grantee's attorney that there would be no violation of state or local laws in granting the exception.

10.11 Duplication of Benefits

Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 155) prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster for which he/she has received financial assistance under any other program or from insurance or any other source. Disaster Recovery funds issued through HUD's CDBG-DR program may not be used for any costs for which other disaster recovery assistance was previously provided for the same purpose.

Subrecipients/Developers are required to disclose all other benefits (cash, in-kind, grants, loans, etc.) received, or which will be received for the proposed project to ensure that federal funds do not duplicate funds received from other sources. They will also sign a subrogation agreement as part of any Subrecipient/Developer Agreement or MOU.

As mandated by regulation, all Orange County projects/activities receiving CDBG-DR funding must evidence an analysis of funds potentially received for the same purpose as the intended CDBG-DR award, otherwise known as a Duplication of Benefits (DOB) analysis. All funded projects/activities must disclose all funding sources, including FEMA awards and private insurance proceeds, to be analyzed.

10.11.1 Rehabilitation and Reconstruction – DOB Analyses

In instances where the program identifies critical resiliency needs, information is requested from subrecipients/developer to determine if funding was previously provided or made available for the same purpose.

10.11.2 List of Potential Duplicative Benefits

The subrecipient/developer must consider the total assistance available to them. This includes all benefits, including cash, insurance proceeds, grants from FEMA,

SBA loans, as well as any other assistance received by the applicant from other local, state, or federal programs, or private or public nonprofit charities.

Orange County should pay special attention to the following potential sources of benefits and confirm that the listed sources of these benefits have been exhausted or may be made available for the project/activity:

- National Flood Insurance Program (NFIP): Insurance proceeds received must be disclosed by the Applicant.
- Private Insurance: All insurance proceeds received must be disclosed by the Applicant. Where necessary, the program will look for “undeclared” insurance benefits as well as confirming those disclosed by the Applicant.
- FEMA: FEMA proceeds received must be disclosed by the Applicant.
- Other: Funds received from other sources must be disclosed by the Applicant and verified by the program. Examples include nonprofits, other governmental agencies, and social groups.

Orange County will only use documentation supplied by the Applicant if source documentation is unable to be obtained. If an Applicant can provide documentation demonstrating that the insurance proceeds amount provided by the FEMA database includes items not covered in the evaluation or not paid to cover structural loss, Orange County will use the documentation provided to adjust the insurance payout considered in the DOB analysis. The documentation provided by the Applicant must come from the insurance company that issued the payment(s). For more information on how DOB is calculated and the documentation required please refer to Orange County’s DOB policy in the Grant Administration Manual.

10.12 Environmental Review

CDBG-DR funding from HUD is contingent upon compliance with the National Environmental Policy Act (NEPA) and related environmental and historic preservation legislation and executive orders; therefore, an environmental review record must be completed for all project activities prior to obligation of program funds. For Orange County to proceed with the environmental review process, the subrecipient/developer must provide Orange County with a project description, project location, and project budget. Subrecipients/Developers should provide maps, drawings, and other information as requested by Orange County in a timely manner.

All projects that involve new construction, change of use (as in adaptive reuse projects), or increase the floor area of an existing residential structure by 20% or more must successfully complete an Environmental Assessment (EA) to receive Orange County funding for their project. For projects that involve substantial rehabilitation of existing residential structures, the level of review will be assessed based on the scope of work.

All awards of funding will be considered conditional until the environmental review record is completed. Subrecipients/Developers are prohibited from the obligation, expenditure, or disbursement of CDBG-DR or other project funds and must ensure that

no “choice-limiting actions” occur prior to HUD’s issuance of an AUGF (24 CFR 58.22), and until Orange County issues environmental clearance and Notice to Proceed.

Orange County is the Responsible Entity for environmental review records through this Program.

10.13 Recordkeeping

In accordance with HUD regulations, Orange County follows the record retention requirements cited in 2 CFR 200, which includes financial records, supporting documentation, statistical records, and all other pertinent records. The subrecipient/developer must retain all financial records, supporting documentation, statistical records, and all other records pertinent to the Subrecipient/Developer Agreement for five (5) years from the time of closeout of HUD’s grant to Orange County or for the period provided in the CDBG regulations at 2 CFR 200.333. Notwithstanding the above, if there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the expiration of the retention period, then all such records must be retained until completion of the actions and resolution of all issues, or the retention period, whichever occurs later.

Every subrecipient/developer and contractor is required to establish and maintain at least three major categories of records: Administrative, Financial, and Project/Case Files.

For additional information on subrecipient/developer recordkeeping requirements, refer to the Grant Administration Manual.

10.14 Personally Identifiable Information and Client Confidentiality

Orange County and Subrecipients/Developers must take reasonable measures to safeguard protected personally identifiable information (PII) and other information that HUD or the County designates as sensitive or that the subrecipient/developer considers sensitive consistent with applicable federal, state, and local laws regarding privacy and obligations of confidentiality. Subrecipients/Developers are required to adhere to Orange County’s data privacy policies and procedures. For additional information, please refer to Orange County’s Data Privacy Standard Operating Procedure.

10.15 Lead Based Paint

Congress passed the Residential Lead-Based Paint Hazard Reduction Act of 1992, also known as Title X of the Housing and Community Development Act of 1992, to protect families from exposure to lead from paint, dust and soil. Section 1018 of this law directed HUD and the Environmental Protection Agency (EPA) to require the disclosure of known information on lead-based paint (LBP) and lead-based paint hazards before the sale or lease of most housing built before 1978.

24 CFR Part 35, Subpart J (§35.930(d)) [[https://www.ecfr.gov/current/title-24/subtitle-A/part-35/subpart-J/section-35.930#p-35.930\(d\)](https://www.ecfr.gov/current/title-24/subtitle-A/part-35/subpart-J/section-35.930#p-35.930(d))] requires that

residential property receiving an average of more than \$25,000 per unit in Federal rehabilitation assistance shall:

- Conduct paint testing or presume the presence of lead-based paint
- Perform a risk assessment in the dwelling units receiving Federal assistance and in associated common areas and exterior painted surfaces before rehabilitation begins
- Abate all lead-based paint hazards identified by the paint testing or risk assessment, 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 contained at 24 CFR 35.1350(d). If abatement of a paint-lead hazard is required, it is necessary to abate only the surface area with hazardous conditions.
- Implement safe work practices during rehabilitation work in accordance with 24 CFR 35.1350 and repair any paint that is disturbed and is known or presumed to be lead-based paint.

All grants or loans made by Orange County with assistance provided under this program shall be made subject to the provisions for the elimination or mitigation of lead-based paint hazards under this regulation. The Subrecipient/Developer shall be responsible for the notifications, inspections, and clearance certifications required under this regulation.

11 RECORDKEEPING

11.1 Administrative Records

Administrative records include files and records that apply to the overall administration of the subrecipient/developer's CDBG-DR activities. They include the following:

- Personnel files;
- Property management files;
- General program files: files related to subrecipient/developer's project;
- Subrecipient/Developer Agreement, program policies and guidelines;
- Correspondence with Orange County and all reports;
- Legal files: Articles of Incorporation, bylaws, tax status, board minutes; and
- Contracts and other agreements related to the funded project.

11.2 Financial Records

Financial records include, and must be made available to Orange County, HUD or any other entity reviewing records associated with a CDBG-DR funded project:

- The chart of accounts,
- A manual on accounting procedures
- Accounting journals and ledgers

- Source documentation (purchase orders, invoices, cancelled checks, etc.)
- Procurement files (if applicable)
- Bank account records
- Financial reports
- Audit files

11.3 Insurance and Property Management

For all projects in the Program, all Subrecipients/Developers must ensure that appropriate insurance is secured and maintained for, at a minimum, the duration of the applicable affordability period to protect all contract assets from loss due to any cause such as theft, fraud, and physical damage. If CDBG-DR funds are used to acquire real property or personal property, the subrecipient/developer is responsible for ensuring that:

- The property continues to be used for its intended (and approved) purpose; and
- The subrecipient/developer continues to monitor the condition of the property.

11.4 Project/Case Files

Project/Case Files are files that document the activities undertaken with respect to specific individual beneficiaries, tenants, property owners, and/or properties. Tenant files must include income eligibility documentation and demographic information required for HUD reporting. These files must be created, maintained and made available to Orange County, HUD or any other entity reviewing records associated with the CDBG-DR funded project.

11.5 Record Retention

Record retention is a requirement of this Program. Records are maintained to document compliance with Program requirements and Federal, State and local regulations to facilitate review or audit by HUD for a minimum of 5 years following the conclusion of the activities affordability period. Orange County will seek to ensure that:

- Orange County complies with all requirements concerning records and records management practices under federal and state regulations;
- Orange County has the records it needs to support and enhance ongoing business and citizen service, meet accountability requirements and community expectations;
- These records are managed efficiently and can be easily accessed and used for as long as they are required; and
- These records are stored as cost-effectively as possible and when no longer required they are disposed of in a timely and efficient manner.

11.6 Access to Records (24 CFR 570.490)

Federal regulations include the following recordkeeping requirements:

- Representatives of HUD, the Inspector General, and the General Accounting Office shall have access to all books, accounts, records, reports, files, and

- other papers, or property pertaining to the administration, receipt, and use of CDBG (and CDBG-DR) funds and necessary to facilitate reviews and audits;
- Orange County shall provide citizens with reasonable access to records regarding the past use of CDBG (and CDBG-DR) funds consistent with State or local requirements concerning the privacy of personal records.
 - The availability of records is subject to the exemptions to public disclosure set forth in Florida Public Records Law. All Freedom of Information Act (FOIA) requests must be made in writing to Orange County and will be processed in accordance with these procedures.

12 MONITORING

In accordance with HUD's monitoring standards for CDBG-DR, the County will monitor subrecipients/developers and program activities no less than annually. The frequency and scope of monitoring may be increased when risk factors are identified through the County's risk assessment process, capacity evaluations, or based on prior monitoring results indicating potential noncompliance.

The overarching goal of monitoring is to determine compliance, prevent/identify deficiencies, and design corrective actions to improve or reinforce agreement performance. As part of this process, staff should be alert for fraud, waste and mismanagement or situations with potential for such abuse. Where possible, any identified deficiencies in need of corrective action should be handled through discussion, negotiation, or technical assistance in a manner that maximizes cooperation and compliance. Monitoring also provides opportunities to identify program participant accomplishments as well as successful management, implementation and evaluation techniques that could be replicated by other funding recipients.

The frequency at which Orange County will monitor Subrecipients/Developers will be included in a monitoring work plan for each subrecipient/developer, which is informed by the risk assessment. Orange County may adjust the monitoring work plan due to various factors, such as:

- Activity risk
- Any fiscal-related concerns, discrepancies, or invoicing/drawdown activity
- Concern(s) for timely activity completion
- Significant changes to the project or project staff
- Other compliance-related issues

Subrecipients/Developers and Orange County are responsible for monitoring their vendors and contractors to ensure compliance with the terms and conditions of the contract.

The results of the monitoring review may require corrective action by the subrecipient/developer or contracted vendor. A monitoring report will be issued which outlines the findings, concerns, and/or observations and identifies corrective actions to be carried out to remedy identified deficiencies.

12.1 Ongoing Monitoring

The subrecipient/developer shall be responsible for all management functions of the multifamily housing development including construction, rehabilitation, maintenance, selection of the tenants, annual recertification of household income and size, and managing the units in accordance with program requirements.

The subrecipient/developer is responsible for all repair and maintenance functions of the multifamily housing development, including ordinary maintenance and replacement of capital items. The subrecipient/developer shall ensure maintenance of residential units, commercial space and common areas in accordance with local health, building, and housing codes, and the management plan. The cost of ongoing maintenance is ineligible under CDBG-DR regulations.

The subrecipient/developer shall ensure that the Multifamily Housing Development is managed by an entity that is actively in the business of managing affordable housing. Any management contract entered into for this purpose shall be subject to Orange County approval and contain a provision allowing the subrecipient/developer to terminate the contract upon 30-days' notice.

For additional information on how Orange County will monitor Subrecipients/Developers, (which Subrecipients may adopt and use to monitor their contractors and vendors), see the Grant Administration Manual.

13 CLOSEOUT

While planning for closeout begins at the time of project award of funding, completing closeout begins with completion of closeout checklists. The project closeout is the process by which Orange County determines that all requirements of the Subrecipient/Developer Agreement between Orange County and the Subrecipient/Developer for a specific project have been completed.

Project closeout checklist should be completed when:

- All project expenses (including payment of retainage held by Orange County and expenses to be paid with non-CDBG-DR funds) have been paid or requested for payment.
- Approved work has been finished.
- Any other responsibilities detailed in the Subrecipient/Developer Agreement have been fulfilled.
- All monitoring or audit findings have been cleared.

Project closeout consists of:

- A closeout request, with applicable project documents attached, submitted to Orange County by the partner;
- A project closeout checklist completed and approved by the Program and other departments within Orange County; and

- A letter from Orange County to the Subrecipient/Developer indicating that all closeout activities have been completed.

In addition, the project's status will be updated in HUD's Disaster Recovery Grant Reporting (DRGR) system, and a final HUD quarterly narrative report will be submitted by Orange County to reflect the project's status. For projects financed by Orange County's CDBG-DR funds as well as other funds, project closeout occurs when all funds are spent and every dollar of Orange County's CDBG-DR is associated with a national objective.

14 ACRONYMS AND DEFINITIONS

14.1 Acronyms

Acronym	Name
ADA	Americans with Disabilities Act
AHD&P	Orange County's Affordable Housing Development & Preservation Program
AMI	Area Median Income
AUGF	Authority to Use Grant Funds
BCC	Board of County Commissioners
CDBG	Community Development Block Grant
CDBG-DR	Community Development Block Grant – Disaster Recovery
CFR	Code of Federal Regulations
DBRA	Davis-Bacon and Related Acts
DOB	Duplication of Benefits
DOL	U.S. Department of Labor
DRGR	Disaster Recovery Grant Reporting System
EA	Environmental Assessment
EPA	U.S. Environmental Protection Agency
FEMA	Federal Emergency Management Agency
FFATA	Federal Funding Accountability and Transparency Act
FLSA	Fair Labor Standards Act
FUTA	Federal Unemployment Tax Act
GED	General Education Development
HOME	HOME Investment Partnerships Program
HUD	U.S. Department of Housing and Urban Development
HUD CPD	HUD Office of Community Planning and Development
HUD OIG	HUD Office of Inspector General
ICC	International Code Council
LBP	Lead-Based Paint

LAP	Orange County's Language Access Plan
LEP	Limited English Proficiency
LMH	Low/Moderate Income Housing
LMI	Low/Moderate Income
MBE	Minority Business Enterprise
NFIP	National Flood Insurance Program
NEPA	National Environmental Policy Act
OCHCD	Orange County Housing and Community Development
PII	Personal Identifiable Information
RARAP	Residential Anti-Displacement and Relocation Assistance Plan
RFA	Request for Applications
SBA	U.S. Small Business Administration
SOP	Standard Operating Procedure
SUTA	State Unemployment Tax Act
TDD	Telecommunications Device for the Deaf
URA	Uniform Relocation Act
U.S.C.	United States Code
WBE	Women Business Enterprise

15 Definitions

100-Year Floodplain – The geographic area defined by FEMA as having a one percent (1%) chance of being inundated by a flooding event in any given year.

Acquisition – The process of purchasing or obtaining Real Property at post-disaster fair market value (FMV) of land and/or structures.

Affirmative Marketing and Outreach – making known that use of facilities, assistance, and services are available to all on a nondiscriminatory basis as defined in 24 CFR 576.407(b). If it is unlikely that the procedures that the subrecipient/developer intends to use to make known the availability of the facilities, assistance, and services will reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, the subrecipient/developer must establish additional procedures that ensure that those persons are made aware of the facilities, assistance, and services. The subrecipient/developer must take appropriate steps to ensure effective communication with persons with disabilities including, but not limited to, adopting procedures that will make available to interested persons information concerning the location of assistance, services, and facilities that are accessible to persons with disabilities. Consistent with Title VI and Executive Order 13166, Subrecipients/Developers are also required to take reasonable steps to ensure meaningful access to programs and activities for limited English proficiency (LEP) persons.

Affordable Housing – In general, housing for which the occupant(s) is/are paying no more than 30 percent of their income for gross housing costs, including utilities.

Affordability Period – To ensure that the CDBG-DR investment in rental and/or homeownership properties yields affordable housing, Orange County is complying with the governing Federal Register Notice applicable to the HUD CDBG-DR allocation for Hurricane Ian which imposes rent and occupancy requirements over the length of a compliance period, known as the Affordability Period, for all rental housing projects and all new construction homeownership projects. All Orange County-assisted units must be restricted during the Affordability Period for LMI persons/households.

Applicant – Any entity that submits an application for assistance to the Orange County Affordable Housing Development & Preservation (AHD&P) Program.

Appeal – A written request by an Applicant asking for the reversal of a determination that affects the eligibility and/or amount of assistance the applicant may receive from the Program.

Area Median Income (AMI) – The median (midpoint) household income for an area, adjusted for household size, as published and annually updated by the U.S. Department of Housing and Urban Development (HUD). Once household income is determined, it is compared to HUD's income limit for that household size. Income limits are adjusted annually for all Metropolitan Statistical Areas (MSAs).

Community Development Block Grant – Disaster Recovery (CDBG-DR) – HUD funding allocated to eligible disaster recovery entities via congressional appropriations.

Davis-Bacon Act of 1931 (40 U.S.C. 3141, et seq.) and Related Acts – Federal law that requires that all laborers and mechanics employed by contractors or subcontractors in the performance of work financed in whole or in part with federal assistance shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the U.S. Secretary of Labor in accordance with the Davis-Bacon Act, as amended. This applies to rehabilitation, reconstruction and new construction of residential property only if such property contains not less than eight (8) units.

Developer – A for-profit or private nonprofit entity that the grantee provides CDBG-DR assistance for the development, acquisition and/or rehabilitation of affordable housing units. Developers are program beneficiaries and thus distinct from Subrecipients, grantee employees, and contractors. Developers may receive CDBG-DR funds from either the grantee or a subrecipient.

Disability – For the purposes of this Program, “disability” is consistent with federal law under the Social Security Act, as amended (42 U.S.C. 423(d)), the Americans with Disabilities Act of 1990, as amended (42 U.S.C. 12102(1)-(3)), and in accordance with HUD regulations at 24 CFR 5.403 and 891.505.

Duplication of Benefits – Provision of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) that prohibits a person, business concern, or other entity from receiving financial assistance from federal disaster funds with respect to any part of a loss resulting from a major disaster as to which that person or entity has already received financial assistance under any other program, insurance, or other source.

Elevation Standards – Standards that apply to new construction, repair of Substantial Damage, or Substantial Improvement of structures located in an area delineated as a Special Flood Hazard Area or equivalent in FEMA’s data source identified in 24 CFR 55.1(b)(1).

Environmental Review – A permanent set of files containing all documentation pertaining to the environmental review compliance procedures conducted and environmental clearance documents. All qualified projects must undergo an Environmental Review process. This process ensures that the activities comply with the National Environmental Policy Act (NEPA) and other applicable state and federal laws.

Fair Housing Act (FHA) – The Fair Housing Act of 1968 (42 U.S.C. 3601-3619), prohibiting discrimination against protected classes of people in the sale or rental of housing, in the provision of housing assistance, or other housing-related activities. The FHA obligates HUD grantees and their Subrecipients/Developers to take reasonable steps to ensure meaningful access to their programs and activities for protected

classes. The FHA also requires HUD and its program participants to affirmatively further the purposes of the FHA.

Federal Emergency Management Agency (FEMA) – The Federal Emergency Management Agency is an agency of the U.S. Department of Homeland Security. It was created by Presidential Order on April 1, 1979. The primary purpose of FEMA is to coordinate the response to a disaster that has occurred in the United States and that overwhelms the resources of local and state authorities.

Federal Register – The official journal of the Federal government of the United States that contains government agency rules, proposed rules, and public notices. It is published daily, except on federal holidays. A Federal Register Notice (FRN) is issued for each CDBG-DR funded disaster. The FRN outlines the rules that apply to each allocation of disaster funding.

Flood Insurance – The Flood Disaster Protection Act of 1973 (42 U.S.C. 4012(a)) requires that projects receiving federal assistance and located in an area identified by FEMA as being within a Special Flood Hazard Area (SFHA) be covered by flood insurance under the National Flood Insurance Program (NFIP). In order to be able to purchase flood insurance, the community where the property is located must be participating in the NFIP. If the community is not participating in the NFIP, federal assistance cannot be used.

Floodplain – FEMA designates floodplains as geographic zones subject to varying levels of flood risk. Each zone reflects the severity or type of potential flooding in the area.

Grantee – Any jurisdiction receiving a direct award of funding from HUD.

Green Building Standards – All construction-related activity that meets the definition of substantial improvement, reconstruction, or new construction must meet an industry-recognized standard that has achieved certification under at least one of the following programs: (1) Enterprise Green Communities; (2) LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development) (3) ICC-700 National Green Building Standard Green or Green+ Resilience; (4) Living Building Challenge; or (5) Any other equivalent comprehensive green building program acceptable to HUD.

Household – A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other.

HUD – U.S. Department of Housing and Urban Development, a federal department through which program funds are distributed to grantees.

Limited English Proficiency (LEP) – A designation for persons who are unable to communicate effectively in English because their primary language is not English, and they have not developed fluency in the English language. A person with Limited English Proficiency may have difficulty speaking or reading English. An LEP person benefits from an interpreter who translates to and from the person's primary

language. An LEP person may also need documents that are written in English to be translated into their primary language so that they can understand important documents.

Low- to Moderate Income (LMI) National Objective - One of three national objectives that any CDBG activity must meet. Activities that meet the LMI objective must benefit households whose total annual gross income does not exceed 120% of Area Median Income (AMI), adjusted for family size. Income eligibility will be determined and verified in accordance with HUD Guidance. The most current income limits, published annually by HUD, shall be used to verify the income eligibility of each household applying for assistance at the time assistance is provided.

Extremely Low: Household's annual income is up to 30% of the area median family income, as determined by HUD, adjusted for family size.

Very Low: Household's annual income is between 31% and 50% of the area median family income, as determined by HUD, adjusted for family size.

Low: Household's annual income is between 51% and 80% of the area median family income, as determined by HUD, adjusted for family size.

Moderate: Household's annual income is between 81% and 120% of the area median family income, as determined by HUD, adjusted for family size.

Low/Moderate Housing (LMH) - A subordinate HUD National Objective under the LMI (Low/Mod Income) objective.

Metropolitan Statistical Area (MSA) – An area with at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core, as measured by commuting ties.

National Environmental Policy Act (NEPA) - Establishes a broad national framework for protecting the environment. NEPA's basic policy is to assure that all branches of government consider the environment prior to undertaking any major federal action that could significantly affect the environment.

National Flood Insurance Program (NFIP) - The National Flood Insurance Program (NFIP) is managed by the Federal Emergency Management Agency and is delivered to the public by a network of approximately 60 insurance companies and the [NFIP Direct](#). The NFIP provides flood insurance to property owners, renters, and businesses.

National Objective - A HUD criterion governing eligible uses of CDBG-DR funds.

Partner - Various entities will be responsible for implementing program activities. The term Partner is used throughout to denote the relationship between Orange County and entities like Subrecipients/Developers and contractors.

Program Income – Program income is the gross income received by the grantee or subrecipient/developer that is directly generated by grant-supported activities.

Reasonable Accommodation – Under the Fair Housing Act, a reasonable accommodation is a change, exception, or adjustment to a rule, policy, practice, or service.

Recapture of funds – The process in which benefits or funds were found to be duplicated and requiring repayment of partial or full CDBG-DR awarded funds amount.

Rehabilitation – The labor, materials, tools, and other costs of improving buildings, other than minor or routine repairs.

Request for Applications – The evaluation criteria used by most funders, especially government agencies to objectively review and rank applications.

Special Flood Hazard Area (SFHA) - An area identified by FEMA as an area with a special flood or mudflow, and/or flood related erosion hazard, as shown on a flood hazard boundary map or flood insurance rate map.

Special Needs Populations - A specified group of individuals including people experiencing homelessness or imminently at risk of homelessness; people with mental, physical or developmental disabilities; people with substance use disorders; children in foster care and youth aging out of foster care; survivors of domestic violence; adults re- entering the community after being released from correctional facilities; or as defined in local ordinances where the project will be located.

Subrecipient - A non-federal entity that receives CDBG-DR funding from Orange County to carry out recovery activities; but does not include an individual or entity that is a beneficiary of the program.

Substantial Damage – Damage of any origin sustained by a structure whereby the cost of restoring the structure to its pre-damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred.

Uniform Relocation Act (URA) - A federal law that applies to all acquisitions of real property or displacements of persons resulting from federal or federally assisted programs or projects. URA's objective is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.