

# TRANSCRIPT

## *COMMUNITY DEVELOPMENT BLOCK GRANT- DISASTER RECOVERY IRMA DRAFT ACTION PLAN*

PRESENTED BY: HEATHER MARTIN AND JAMIE MCNEASE

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### INTRODUCTION SLIDE

**Heather:** “Good afternoon everyone. Thank you for joining us today. Welcome to DEO’s Hurricane Irma Draft Action Plan Overview. My name is Heather Martin. I am the Community Disaster Recovery Chief here at DEO. With me today is also Jamie McNease, the Disaster Recovery Program Manager, Jacob Durrance, the Disaster Recovery Specialist, and Mikayla Catani the Disaster Recovery Assistant.”

### SLIDE 1

**Heather:** “Today’s webinar will provide a summary of the state’s unmet needs assessment and will focus primarily on the draft action plan for the CDBG-DR funding for Hurricane Irma that was released for public comment on April 20<sup>th</sup>. During this webinar, we will discuss the outline of the program budget and give an overview of the proposed programs and activities in the draft action plan.”

### SLIDE 2

**Heather:** “The draft Action Plan address the \$616 million that the U.S. Department of Housing and Urban Development (HUD) announced Florida will receive. In February, HUD also appropriated an additional \$28 billion for disaster recovery to the CBDG program nationwide. Recently, on April 10, HUD announced \$791 million for remaining unmet needs for Hurricane Irma to support mitigation activities. We anticipate the HUD will provide an additional federal register to guide the allocation of the new funding.”

### SLIDE 3

**Heather:** “Key guidelines for the funding are outlined in the Federal Register for CDBG-Disaster Recovery Program. These guidelines include: Flexible funding to address the community’s needs, that the state is the primary grantee and will prepare the Action Plan for HUD. This is a responsibility of DEO to prepare that Action Plan. Both non-entitlement and entitlement communities will be eligible to participate in state programs included in the Action Plan. Funds must primarily consider and address housing unmet

needs. Funds can also be used to address unmet economic revitalization and infrastructure needs.”

## **SLIDE 4**

**Heather:** “At this point in time I will be turning the presentation over to Jamie McNease.”

**Jamie:** “Hi I am Jamie McNease, and I am the Community Disaster Recovery Program Manager. After looking at the data of impacts and unmet needs from Hurricanes Irma and Maria, it was determined that the total estimated impacts from these storms is about \$17.4 billion across the three sectors of housing, infrastructure, and the economy and the total estimated unmet need is greater than \$10.9 billion.

The housing sector represents the greatest unmet need at 62.51 percent.

The economy follows the housing sector at 33.95 percent and infrastructure represents 3.54 percent of the total unmet need.

This indicates the importance of focusing programs on housing recovery first, then the economy and infrastructure recovery.”

## **SLIDE 5**

**Jamie:** “CDBG-DR funding can be used to address long-term recovery needs related to housing, infrastructure and economic development.”

## **SLIDE 6**

**Jamie:** “To address housing unmet needs, DEO proposes the following programs:

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

## **SLIDE 7**

**Jamie:** “DEO developed a budget for implementing the proposed housing programs to help communities recover from Hurricane Irma.

The budget table shown here includes a total budget, a breakdown of the 80% HUD identified most impacted and distressed communities and the 20% state identified most

impacted and distressed communities, as well as a minimum set-aside amount for the Keys.

Given the number of significantly damaged structures and the high cost of rebuilding to current resiliency standards, it is likely that without funding to support the rebuilding of homes in the Keys and the construction of new affordable housing units, Monroe County's economy, in addition to its residents, will experience major issues well into the future. This is the reason for the specific set-aside funding for the Keys.

As you can see, the Housing Repair Program budget is a large portion of the total allocated funding at \$273 million.

The combined Workforce Affordable Rental New Construction Programs, both the Low-Income Housing Tax Credit Program and the Small Rental Developments Program total to a budget of \$100 million. These programs will be implemented by our partner, Florida Housing Finance Corporation.

The Land Acquisition for Affordable Workforce Housing Program will have a budget of \$20 million, and the Voluntary Home Buyout Program will have a budget of \$75 million.

The following slides will provide you with an overview of these programs."

## **SLIDE 8**

**Jamie:** "DEO will be overseeing a centralized housing repair and replacement program for low- to moderate-income families.

This program will include the following activities:

- Repairs to, reconstruction or replacement of housing units, including rental properties, damaged by Hurricane Irma.
- The completion of work on homes that have been partially repaired.
- Repairs to, or replacement of, manufactured homes impacted by Hurricane Irma.
- Replacement of housing units that were included in the Home Buyout Program.
- And temporary housing assistance based on individual household needs and their participation in the Housing Repair Program."

## **SLIDE 9**

**Jamie:** "DEO is working with Florida Housing Finance Corporation to create a gap financing program for multi-family affordable rentals in areas impacted by Hurricanes Irma and Maria.

DEO and Florida Housing Finance Corporation leveraged other state and federal resources, such as SAIL and the Low-Income Housing Tax Credit Program, to bring this program to fruition.

There are two programs under the Workforce Affordable Rental New Construction Program: Low-Income Housing Tax Credits and Small Rental Developments.”

## **SLIDE 10**

**Jamie:** “The vision of the Workforce Affordable Rental New Construction Program is to create quality, affordable housing units to help Florida increase resiliency and alleviate the rental stock shortage caused by Hurricane Irma in the most impacted areas of the state.

Most of the development will be new construction, with some re-development of uninhabited dwellings.

The CDBG-DR funds will be awarded to eligible applicants through a competitive application process handled by Florida Housing Finance Corporation.”

## **SLIDE 11**

**Jamie:** “DEO will manage the Land Acquisition for Affordable Workforce Housing program to provide funding for the purchase of land when there is a formal commitment to develop affordable housing.

This program will focus on areas of the state where the scarcity of land drives up the cost and makes it difficult to develop properties that can be rented at an affordable rate for the community’s workforce.”

## **SLIDE 12**

**Jamie:** “The Voluntary Home Buyout Program will be a state-managed buyout program that leverages FEMA Hazard Mitigation Grant Program, or HMGP, funding where possible.

The purpose of this program is to encourage risk reduction through voluntary buyout of residential property in high risk flood areas.

Counties that are interested in participating in the program will have two potential avenues for pursuing home buyout:

1. Counties can leverage CDBG-DR funding as a match for projects that are also eligible for the Hazard Mitigation Grant Program.
2. Counties can work directly with DEO on projects located in low- and moderate-income areas to buyout residential areas in order to convert them into permanent open space with green infrastructure or other floodplain management systems

I will now turn things over to Heather Martin, who will give you an overview of DEO’s proposed Economic Revitalization programs and Infrastructure programs.

I will now hand this presentation back to Heather Martin. She will give you an overview of DEO’s economic revitalization program and infrastructure programs. ”

### **SLIDE 13**

**Heather:** “Thanks Jamie. The draft action plan proposes two types of Economic Revitalization programs which are a workforce recovery training program and a business recovery grant program.”

### **SLIDE 14**

**Heather:** “The program budget for economic revitalization is as follows:

- \$20,000,000 for Recovery Workforce Training
- \$60,000,000 for Small Business Recovery Grants
- And \$6,000,000 for Public Services which will include a program that will provide assistance to new Floridians from Puerto Rico.”

### **SLIDE 15**

**Heather:** “Both the unmet needs assessment and community outreach, showed the need for skilled labor. Recognizing that in order for the recovery process to continue, the need for skilled labor is vital. Through DEO’s Division of Workforce Services, the Recovery Workforce Training program will utilize existing services to bolster workforce recovery training, primarily focused in the housing construction field.

Some of the workforce recovery training may also include: roofing, plumbing, and on-the-job training as well as the others listed in the draft action plan.”

### **SLIDE 16**

**Heather:** “As evident in the unmet needs assessment, many small business owners were impacted by Hurricane Irma. Recognizing this impact, DEO will create a grant program for eligible business owners who are seeking reimbursement for the cost of replacing equipment and inventory damaged by Hurricane Irma.

The repayment of Small Business Administration (SBA) loans is not allowed under federal guidance for this funding and documentation of impacts from Hurricane Irma must be provided.

Additional guidance on the application process, eligibility and program management will be defined after approval of this action plan.”

### **SLIDE 17**

**Heather:** “As mentioned earlier, \$6,000,000 will go towards Public Services which will include a program that will provide assistance to new Floridians from Puerto Rico.”

## **SLIDE 18**

**Heather:** “New Floridians who are migrating from Puerto Rico because of Hurricane Maria need support to rebuild their lives. DEO proposes a public assistance program to support this new population through the Business Assistance to New Floridians from Puerto Rico Program. This program may include:

Business loans, information about specific regional markets, assistance in accounting or legal matters, guidance for new licenses, along with seminars for any additional assistance to integrate into Florida. All of which seek to assist new resident in their transition.”

## **SLIDE 19**

**Heather:** “Finally, DEO will propose an Infrastructure and Mitigation Program to be used for unmet needs as a result of Hurricane Irma.”

## **SLIDE 20**

**Heather:** “Hurricane Irma was a success story for the state as the infrastructure damage assessments were not as high as initially projected due to the significant investments in mitigation over the years. However, DEO will continue to strengthen the state’s infrastructure by creating an Infrastructure Repair and Mitigation Program that allows communities to use CDBG-DR to leverage other funding sources such as the FEMA HMGP and 406 PA Program.

The Federal Register Notice requires CDBG-DR recipients to consider housing needs first. As mentioned earlier, HUD announced Florida will receive an additional allocation of \$791 million and it is anticipated that a portion of the funding will go to the infrastructure repair and mitigation program.

Additional guidance will be released in the federal register on this funding can be used by states. Once this occurs, the program will be further defined through amending the action plan.”

## **SLIDE 21**

**Heather:** “The Draft Action Plan was posted to DEO’s webpage on April 20<sup>th</sup> and will be open for a 14-day public comment period through May 4<sup>th</sup>. We highly encourage you to

visit DEO's CDBG-DR website to view the draft action plan and submit public comment to the CBDG-DR email address included on the webpage."

## **SLIDE 22**

**Heather:** "After receiving public comment DEO will incorporate feedback into the draft, finalize the action plan and submit the action plan to HUD by May 15<sup>th</sup>. We anticipate HUD approving the action plan by July and receiving a grant agreement from HUD in August. Finally, the fall of this year DEO will work with eligible entities to implement the programs that were developed in the action plan."

## **SLIDE 23**

**Heather:** "If you have any additional questions or concerns please contact our office or reach out to me directly. And if you would like to download the slides from today's webinar, you can do so in the handouts section. Thank you for participating in today's webinar."