



CDBG-DR Voluntary Buyout Program Manual

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1. Version History

Version Number	Change Date	Summary of Changes
1.0	2/28/2025	Original version published

2. Program Overview

2.1 Introduction

In alignment with Sarasota County’s comprehensive approach to resilient recovery from Hurricane Ian, Sarasota County is launching the Resilient SRQ Voluntary Home Buyout Program, funded by the Community Development Block Grant–Disaster Recovery (CDBG-DR). This program is designed to reduce risks for property owners and residents while promoting resilience against future disasters by acquiring properties that were damaged during the September 2022 disaster event or are located in flood-prone areas.

The Buyout Program will provide financial assistance to public entities that apply on behalf of eligible homeowners who voluntarily choose to sell their properties, allowing them to relocate to safer areas outside of repetitive loss zones. By prioritizing assistance for low- and moderate-income (LMI) homeowners in these high-risk areas, Sarasota County ensures that residents with limited recovery resources receive the necessary support for relocation and recovery.

The properties acquired through HUD's Buyout Program will become public lands and be designated as permanent open green spaces under conservation-based restrictive covenants. These restrictions prohibit future development on the parcels, except for specified uses such as stormwater management infrastructure, restrooms, or parking. Sarasota County will maintain these properties in perpetuity in alignment with floodplain and wetlands management best practices, promoting long-term community resilience.

CDBG-DR grants are allocated to States and local jurisdictions by the U.S. Department of Housing and Urban Development (HUD) and are intended to address “unmet needs” not satisfied by other federal or local recovery resources.

Circumstances may arise that require exceptions to the established policies. In such cases, the Board of County Commissioners or their designee can make exceptions to the policies outlined in this Program Manual. The County is committed to upholding the principles and objectives of the policies outlined in this manual, while also providing the flexibility needed to address unique or unforeseen circumstances in a manner that serves the best interest of the community.

2.2 Program Description

The Voluntary Buyout Program is a grant program administered by Sarasota County. The County will utilize CDBG-DR funding to acquire eligible properties, ensuring a fair market transaction based on property pre-storm values. Homeowners will participate in the program by coordinating with the public entity that has jurisdiction where their home is located. Participation in the program is entirely voluntary.

Upon acquisition, all structures on the properties will be removed, and the parcels will be maintained as open space in accordance with CDBG-DR land use regulations.

2.3 Program Objectives

The Voluntary Buyout program is designed to reduce risks to property owners and communities by removing homes from flood-prone areas and repetitive loss zones. Approved projects will convert the acquired properties into open spaces that support floodplain management and resilience against future disasters.

2.4 Funding Sources

The U.S. Department of Housing and Urban Development (HUD) announced that Sarasota County will receive \$201,535,000 in funding to support long-term recovery efforts following impacts from Hurricane Ian in 2022 through the Continuing Appropriations Act, 2023 (Pub. L. 117–180, Division A) approved September 30, 2022, and the Department of Housing and Urban Development Appropriations Act, 2023 (Pub. L. 117–328, Division L, Title II) approved December 29, 2022, for major disasters occurring in 2022. Community Development Block Grant – Disaster Recovery (CDBG-DR) funding is designed to address needs that remain after all other assistance has been exhausted.

HUD has allocated *\$201,535,000 in CDBG-DR funds to Sarasota County in response to Hurricane Ian*, DR-4673-FL, through the publication of the Federal Register, 88 Fed. Reg. 32,046 (May 18, 2023) <https://www.govinfo.gov/content/pkg/FR-2023-05-18/pdf/2023-10598.pdf>. This allocation was made available through Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.)

2.5 CDBG-DR Eligibility Criteria

2.5.1 HUD Criteria

HUD criteria has three main components which are meeting a national objective, being an eligible activity, and meeting an unmet need tied to the disaster. The minimum required eligibility criteria for this program is outlined in section 3.4.1 of this manual.

2.5.2 National Objectives

Each project funded through this program must meet at least one of the following HUD National Objectives:

- Benefit to LMI persons
- Meet a need having a particular urgency (referred to as urgent need)

Urgent need activities alleviate or prevent the conditions which “pose a serious and immediate threat to the health or welfare of the community”. Given the nature of the Buyout Program, projects will primarily focus on reducing flood risks and disaster-related vulnerabilities for LMI households. National Objectives for projects will be determined on a case-by-case basis, ensuring that at least 70% of program funds benefit LMI persons, in accordance with HUD guidelines.

2.5.3 Eligible Applicants

CDBG-DR funds can be provided to the following:

- Public entities*

*Homeowners are eligible to participate but must apply through the participating jurisdiction where the home is located. The public entity will be responsible for submitting applications and facilitating program participation on behalf of homeowners.

2.5.4 Eligible Activities

The Buyout Program will focus on acquiring properties in flood-prone areas to reduce disaster impacts and enhance community resilience. Activities allowed under this program include but are not limited to:

- Acquisition following Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA);
- Demolition of structures associated with acquisition;
- Relocation assistance with buyout or acquisition (following URA)

3. Application and Selection Process

3.1 Administrative Framework

Sarasota County will be responsible for collecting, reviewing, and approving all Voluntary Buyout applications. Sarasota County is eligible to benefit and receive awarded funds. External applicants who are awarded funds are subrecipients of the Sarasota County CDBG-DR grant and are responsible for the implementation and timely completion of the projects. Subrecipients must adhere to the federal, state, and local requirements applicable to these grant funds. Sarasota County will provide training and technical assistance to approved applicants. Throughout the project, Sarasota County will monitor approved projects and provide oversight to maintain compliance and ensure their successful completion.

3.2 Application Process

Eligible Applicants can submit applications for proposed projects during the established application window as specified on the [Resilient SRQ](https://www.resilientsrq.net/) webpage(<https://www.resilientsrq.net/>)Resilient SRQ County staff will conduct a comprehensive assessment of the proposals, carefully considering the feasibility, cost-effectiveness, and sustainability of each project. The County will evaluate proposed projects submitted by applicants based on criteria specified in Section 3.4 of this Program Manual. County staff will present the potential projects to the Sarasota County Board of County Commissioners, who will review the project evaluation recommendations during a public meeting. The Board of County Commissioners will make the final project selection, regardless of staffs score. Throughout the process, transparency and accountability will be maintained by providing regular updates to the public through the [Resilient SRQ](https://www.resilientsrq.net/) (<https://www.resilientsrq.net/>)webpage and notifying applicants and community members.

3.2.1 Outreach and Program Promotion

Sarasota County will release a public notice announcing the program and funds available, and a request for applications through the following platforms:

- Social media
- Website
- Press release to local news sources
- Other public channels

To gauge homeowner interest, Sarasota County will launch a survey for homeowners to complete. Sarasota County will conduct at least one information session regarding the Voluntary Buyout Program to provide an overview of the program goals and objectives and the application and scoring process. Staff will remain

available to answer questions throughout the process and potential applicants will have an opportunity to ask questions and/or discuss issues specific to their project and the application process.

Throughout the entire application cycle, technical assistance also is available by sending inquiries to resilientsrq@scgov.net. Resilient SRQ Staff will respond to all inquiries in a timely manner.

3.2.2 Application Window

Applications open by March 5, 2025 12:00 PM EST and are currently scheduled to close April 30, 2025 5:00 PM EST. Any change to the dates and time will be reflected on the [Resilient SRQ](#) website. Applications must be completed and submitted before the deadline to be considered for funding.

3.2.3 Clarifications

The County reserves the right to clarify or request additional information at any time from applicants. Applicants shall respond within the timeframe specified in the County's request to remain eligible for Resilient SRQ funding.

3.3 Summary of Application Requirements

3.3.1 Sarasota County Public Entity Submission Requirements

Public entity applicants will complete a detailed application on behalf of interested homeowners. The detailed application will include questions regarding information about the project including project details, project impact, planned use of CDBG-DR funds, project readiness, open space plan, and dedicated project resources to ensure compliance with federal, state, and local regulations.

Public entities agree to collect, maintain, store, and transmit personally identifiable information (PII) when collecting information and documentation from homeowners. Refer to the Records section of the Program Manual.

3.3.2 Disadvantaged Communities

The Voluntary Buyout program application includes questions that help ensure vulnerable populations and underserved communities are not negatively impacted by the proposed project. Applications must address the extent to which the project benefits such populations and underserved communities.

3.3.4 Minimum and Maximum Awards

The maximum award per household will be the fair market value of the property.

3.4 Scoring Criteria

Once a project is presumed eligible, the project will be reviewed by Resilient SRQ staff, and a recommended score will be provided to the Board of County Commissioners for final determination on projects to be selected for award. Applications will be reviewed, and scores will be recommended in accordance with the tables below.

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3.4.1 Scoring Criteria

Minimum Eligibility Criteria		
Applicants must meet all of the minimum eligibility criteria listed below to be considered for CDBG-DR funding.		
<ol style="list-style-type: none"> Proposed project benefits low to moderate income (LMI) persons or urgent need in accordance with the United States Department of Housing and Urban Development (HUD) National Objectives. The proposed project must be an eligible activity. Eligible activities include: <ul style="list-style-type: none"> Acquisition following Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA); Demolition of structures associated with acquisition; Relocation assistance with buyout or acquisition (following URA) The home must have been owner-occupied at the time of Hurricane Ian. The home must have served as the primary residence by the homeowner. The project must have a direct or indirect tieback to Hurricane Ian. The property must be in a designated disaster area (Myakka-hatchee Creek and Hidden River) or be a repetitive loss property. Property must be maintained in perpetuity for a use that is compatible with open space, recreational, floodplain, and wetlands management practices, or other disaster-risk reduction practices in compliance with HUD requirements. 		
Scoring Criteria		
Criteria Category	Description	Points Available
LMI National Objective	<ul style="list-style-type: none"> Project does not meet LMI National Objective- 0 points OR Project does meet LMI National Objective - 25 points 	0 or 25
Project Readiness	Level of planning that remains and demonstrated ability to complete the project within the following timeframes: <ul style="list-style-type: none"> Under 1 year = 25 points 1-2 years = 20 points 2-3 years = 15 points 3-4 years = 10 points 4 + years = 0 points 	0-25
Project Impact	Project demonstrates the pre-storm value of the home, ensuring that the requested amount is proportionate. The project includes factors like contiguous properties, which help strengthen the overall impact and resilience of the community. 0 - 25 points	0-25
Maintenance Plan	<ul style="list-style-type: none"> Applicant has not described steps to maintain the project in perpetuity - 0 points OR Applicant has described steps to maintain the project in perpetuity – 25 points 	0 or 25
Total Maximum Points Available		100

3.5 Notice of Award

Sarasota County may fund all or a portion of the total requested funding. All applications and recommended scores will be provided to the Board of County Commissioners for their review and final selection of projects. Once award amounts are determined, Sarasota County will notify all applicants on final determination award. Projects selected for award by the County Commission will be required to execute a subrecipient agreement and land use restriction agreement with exception of Sarasota county. Sarasota County awarded projects will be administered directly by the department with oversight and assistance from program staff and grants administration. Execution of a grant is contingent upon both parties' agreement regarding the terms and conditions, including but not limited to, the project scope, budget, open space plan, and timeliness.

3.6 Negotiation

Sarasota County reserves the right to negotiate funding amounts with awarded applicants. On a case-by-case basis, negotiations may be appropriate for, but not limited to, situations such as the demand exceeding the amount of funds available, the existence of project readiness issues, and discrete project components meeting program objectives or grant requirements, such as the LMI benefit.

4. Grant Management

4.1 Subrecipient Environmental Reviews

It will be the responsibility of Sarasota County to orchestrate Environmental Reviews. In the event an environmental review concludes site conditions are deemed unacceptable, the award will be rescinded. "Unacceptable" sites include, without limitation, those containing an immitigable environmental factor that may adversely affect the health and safety of the residents.

NOTE: There can be no choice-limiting actions on project/property until environmental clearance is received, and a Notice to Proceed is issued. The concept of prohibiting "choice-limiting" actions is to prevent the developer from investing in a project before all necessary environmental clearances are obtained. Market studies, environmental studies, plan development, engineering or design costs, inspections and tests are not considered "choice-limiting" actions.

"Choice-limiting actions" are defined as any activity that would have an adverse environmental impact or limit the choice of reasonable alternatives, such as acquisition, construction, demolition of buildings, or rehabilitation or reconstruction of buildings.

Per 24 CFR Part 58.22, failure to comply with the prohibition against committing funds or taking physical action (using either HUD funds or non-HUD funds) before the completion of the environmental review process could result in loss of HUD assistance, cancellation of the project, reimbursement by the subrecipient for the amount expended, or suspension of the disbursement of funds for the affected activity.

4.2 Agreements

The subrecipient will enter into a subrecipient agreement and a land use restriction agreement for the awarded project(s). The agreement will outline the conditions of the CDBG-DR funding for the approved project. The subrecipient agreement terms may include, but not limited to:

- Project Name

- Award amount
- Scope of Services
- Performance Monitoring & Reporting
- Period of performance and term
- Budget
- Payment
- Program Requirement & Award Conditions
 - Tie-back to disaster
 - Eligible Activity and National Objective
 - Environmental Review (24 CFR, Part 58)
 - Fraud, Waste, & Abuse Policy
 - Anti-Displacement and Relocation Plan
 - Cross-Cutting Compliance
 - Fair Housing and Civil Rights Law
 - Labor Standards
 - Section 3
- Termination
- Other requirements

The land use restriction agreement terms may include, but not limited to:

- Project Name
- Property details
- Land use restrictions
 - Deed restrictions
 - Property use restrictions
- Compliance and monitoring
- Other requirements

4.3 Agreement Amendments

The County reserves the right to amend agreements at any time. Subrecipients may request an amendment to extend period of performance, amend budgets, change the scope of work, or update project milestones. The County will review the amendment request and determine if the amendment is warranted. Subrecipients are encouraged to submit the request to amend as soon as the need is identified. Requests to amend the agreements must be submitted within a reasonable timeframe.

4.4 Payment Method and Process

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

4.4.1 Payment Conditions

The subrecipient must complete all conditions specified in the subrecipient agreement before requesting payment. Upon execution of the agreements, the subrecipient may proceed with implementation of the project. Conditions may include but not limited to the following:

- Requirements outlined in the agreements
- Procurement documentation
- Contracts documentation
- Insurance and bonding documentation

4.4.2 Supporting Documentation

Subrecipients must verify all costs before submitting expenditures 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 receipt) 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
- Proof of Payment

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

4.4.3 Payment Requests

The subrecipient is responsible for billing the County for expenditures. The County will review the documentation to ensure all required information is included to pay the subrecipient. Payment requests must be submitted no more than monthly. Before submitting a payment request, the Subrecipient must verify the invoices are accurate and complete, proof of payment is enclosed, the activities and costs were incurred during the period of performance, and all required supporting documentation is included in the payment request. Payment requests that do not include the required information or supporting documentation will be rejected and returned to the subrecipient to collect the necessary information and resubmit.

4.4.4 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 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.

4.5 Eligible and Ineligible Costs

4.5.1 Eligible Costs

Beyond eligible activities described in this Program Manual, the program will make use of 2 CFR Part 200, Subpart E (Cost Principles), to understand what costs can be incurred through the CDBG-DR grant. Each cost should adhere to accounting principles, be necessary and reasonable for the performance of the grant award, be consistent with policies and procedures, and be adequately documented.

4.5.2 Ineligible Costs

Ineligible activities are defined in 24 CFR 570.207, these include, but are not limited to, buildings or portions thereof used for conduct of government; general government expenses; political activities; purchase of equipment (except as provided for in 24 CFR 570.201(c)); operating and maintenance expenses; and income payments.

4.6 Duplication of Benefits (DOB) Review

Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act prohibits any person, business, or other entity from receiving duplicative financial assistance for the same disaster recovery purpose from multiple sources of federal and other support (42 United States Code [U.S.C.] 5155(a) and (c)). Duplication occurs when a beneficiary receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular disaster recovery purpose. The amount of the duplication is the amount of assistance provided in excess of need.

In accordance with CDBG-DR regulations, eligible applicants applying on behalf of homeowners must ensure that the homeowner discloses all other benefits (e.g., insurance proceeds, cash, in-kind, grants, loans) received from Hurricane Ian and any subsequent storms, or which will be received for the property to ensure that federal funds do not duplicate funds received from other sources.

Homeowners must notify the eligible applicant in writing immediately upon receiving any additional benefits. Upon receipt of such notification, the eligible applicant must then notify the County in writing without delay. The County will determine whether the funds received are duplicative. If the funds received are deemed duplicative and after the CDBG-DR disbursement, the applicant is required to return the funds to the County. In the event DOB occurs, the subrecipient shall be required to return the funds to the County. Typical sources of duplicated benefits can include, but are not limited to, the following:

- Federal Emergency Management Agency (FEMA) Assistance
- FEMA National Flood Insurance Program
- Insurance and personal property insurance
- Forced mortgage payoffs
- Philanthropic cash assistance
- Some subsidized loans
- U.S. Department of Agriculture (USDA) loans and/or Small Business Administration (SBA) loans, where applicable
- Other Local, State or Federal funding, where applicable

4.7 Cost Reasonableness Evaluation

Projects funded under this program must be considered necessary and reasonable. Costs are considered reasonable if, in their nature and amount, they do not exceed that which would be incurred by a prudent person in the conduct of competitive business. Analytical techniques and procedures may be used to ensure that final costs are fair and reasonable, such as a cost analysis detailing the individual cost elements of projects to certify elements such as necessity, pricing, and consistency.

4.8 Program Income

Due to the activities of this Program, Sarasota County does not anticipate any program income generated. If program income is generated, Sarasota County will account for and manage utilizing separate account established within financial reporting systems and controls already established. Sarasota County will follow requirements as provided under 88 FR 32046.

“Program income” is defined as gross income generated from the use of CDBG-DR funds, except as provided in III.E.1.b. under 88 FR 32046 and received by Sarasota County or a subrecipient. Income received before or after grant closeout that generated program income, is considered CDBG-DR funds and subject to the requirements in the Consolidated Notice and the Action Plan.

4.9 Recapture of Funds

Homeowners must notify the subrecipient in writing immediately upon receiving any additional benefits. Upon receipt of such notification, the subrecipient must then notify the County in writing without delay. The County will determine whether the funds received are duplicative. If the funds received are deemed duplicative and after the CDBG-DR disbursement, the applicant is required to return the funds to the County. In the event DOB occurs, the subrecipient shall be required to return the funds to the County.

4.10 Timely Expenditures and Project Completion

The County expects to complete program activities as quickly as possible. The County is required by HUD to disburse CDBG-DR funding allocated through this program to be disbursed within 6 years unless HUD grants an extension. However, the awarded project must be completed within the period of performance as specified in the subrecipient agreement unless an executed amendment to the subrecipient agreement allows for additional time.

4.11 Records

Subrecipients must retain all CDBG-DR records for a minimum of five (5) years after closeout of the subrecipient agreement. In addition, subrecipients must provide access the County, HUD, the Comptroller General of the United States, or other authorized governmental agencies to any pertinent records for purposes of monitoring and to make audits, examinations, excerpts, and transcripts (2 CFR 200.337).

Subrecipients are required to protect the confidentiality, integrity, and security of any Personally Identifiable Information (PII) collected as part of program administration. PII includes, but is not limited to:

- Place of birth
- Date of birth
- Full Name, Mother's maiden name
- Biometric information and personal characteristics including; photographic images, fingerprints, handwriting, retina scan, voice signature, and facial geometry
- Medical information, except brief references to absences from work
- Personal financial information (account numbers, award amounts, income, etc.)
- Credit card or purchase card account numbers
- Passport numbers, driver's license number and taxpayer ID
- Potentially sensitive CDBG-DR information related to grant or loan awards (applicant identification number, grant/loan amounts, etc.)
- Criminal history
- Any information that may stigmatize or adversely affect an individual
- Social Security Numbers (SSNs) and partial SSNs are always considered PII, even without other associated information.

Consistent with applicable state and local laws regarding privacy and obligations of confidentiality, subrecipients must also provide citizens with reasonable access to records on the past use of CDBG-DR funds (24 CFR 570.508 and 2 CFR 200.338).

4.12 Reporting

The County will report to HUD on a quarterly basis, however subrecipients will be required to provide a monthly performance report following execution the subrecipient agreement that details the activities

completed in the previous month. These reports will be aggregated and used to provide HUD with a report on grant progress. The reports will include, at a minimum:

- Narrative of the activities completed during the quarter.
- Financial metrics that demonstrate costs incurred to date and projected future spending.
- Section 3 reporting on total labor hours and target labor hours.
- Data in accordance with Federal Funding Accountability and Transparency Act (FFATA) guidelines

In addition to those listed above, the subrecipient shall also provide additional reporting as requested by the county to include but not limited to mitigation measures and resilience performance metrics, documentation showing total number of beneficiaries served or accomplishments completed.

4.12.1 Mitigation Measures & Resilience Performance Metrics

Mitigation measures help ensure that communities are more resilient to the impacts of recurring natural disasters and climate change. Examples of mitigation measure include:

- Buyout/Acquisition of properties
- Integration of open space or use of nature to manage flooding

In Disaster Recovery Grant Reporting (DRGR) system, HUD has published specific measures for mitigation activities. Examples of resilience performance metrics related to this Program include:

- Number of acres no longer vulnerable to flood events
- Number of residents protected from future flooding

4.13 Monitoring and Compliance

The County is required to provide oversight and monitoring of its subrecipients and internal county departments. Oversight will include ongoing generic reviews, and monitoring will include targeted area-focused reviews of administrative, financial, performance, reporting, and compliance with applicable federal crosscutting requirements. The objective of the oversight and monitoring activities is to facilitate the achievement of performance goals while ensuring that subaward funds are used for authorized purposes in compliance with Federal statutes, regulations, and the terms and conditions of the subaward.

The subrecipient shall ensure that all records and files pertaining to the project, as well as any additional information requested by the County, is made available at the monitoring visit or at the time specified by the County. The County may request a visit to the project site as part of the monitoring visit.

The County will notify subrecipients of monitoring events in advance. In response to subrecipient monitoring, the County will provide technical assistance to mitigate identified risks and to address concerns and findings. Monitoring will be conducted based on risk. At a minimum, subrecipients will be monitored at least once annually. The County will determine the frequency of monitoring with each subrecipient and reserves the right to change the frequency at any time at the County's discretion. The County will use monitoring checklists to ensure consistency and to provide a detailed record.

Each monitoring will address project-specific issues and may be carried out through a combination of desk review, remote monitoring, and/or on-site monitoring. The primary goals of monitoring are to:

1. Review activity eligibility and achievement of national objectives;
2. Evaluate conformance to the subrecipient agreement and land use restriction agreement;
3. Ensure compliance with CDBG-DR program and all other applicable federal, state, and County requirements, including, but not limited to appropriate insurance coverage, assessment

management processes, procurement procedures, conflicts of interest disclosures, and fair housing and civil rights compliance;

4. Review and ensure accuracy and completeness of record keeping and financial management systems;
5. Evaluate organizational, program and project performance, as well as on-going project viability (financial health, management capacity, etc.);
6. Design any corrective actions necessary to improve or reinforce performance; and
7. Identify the technical assistance needs of CDBG-DR subrecipients.

Upon completion of a monitoring event, the County will provide a monitoring letter to each subrecipient outlining the results of the monitoring. If corrective actions are needed as a result of findings or concerns, a corrective action plan will be included with the letter. The subrecipient will be provided the opportunity to respond to the monitoring results, and County staff will work collaboratively with the subrecipient to resolve any findings or concerns.

5. CDBG-DR Requirements

5.1 Cross-Cutting Requirements

5.1.1 Environmental Review and Historic Preservation

Environmental and historic preservation compliance reviews must be completed before any work can begin on a project following CDBG-DR award. CDBG-DR appropriation acts prohibit HUD from waiving these requirements. The County will work with the subrecipient to ensure completion of the reviews.

5.1.2 URA, Section 104(d), and Related Relocation Requirements

CDBG-DR funding is subject to the URA, section 104(d), and to the CDBG program regulatory requirements at 24 CFR 570.606. Some of those Federal requirements are subject to waivers and/or alternative requirements for disaster recovery purposes and are described further in Section 7 of this Program Manual.

5.1.3 Davis Bacon Requirements

Due to the activities of this Program, Davis Bacon is not applicable.

5.1.4 Section 3 of the Housing and Urban Development Act of 1968

Subrecipients shall direct employment, training, and contracting opportunities to low-income individuals and the businesses that employ these persons within their community. These opportunities are, to the greatest extent feasible, required to be given to low- and very low-income persons and business concerns, particularly those who are recipients of government assistance for housing or residents of the community in which the federal funds are spent. Where feasible, subrecipients should give priority for contracting opportunities and training to Section 3 workers residing within the service area or the neighborhood of the project, and participants in YouthBuild programs.

5.2 Other Federal Requirements

In addition to cross-cutting requirements, additional federal requirements apply as follows:

5.2.1 Procurement Requirements

Subrecipients must adopt a procurement policy (or amend the current policy) and comply with the federal procurement requirements of 2 CFR 200.318-327. The County will work with the subrecipient to review

the procurement prior to being advertised, amended, awarded, and the resulting agreement to ensure compliance with the requirements specified herein.

Key procurement requirements:

- Any cost charged to the grant must meet three standards of necessary, reasonable, and allowable.
- All procurements must demonstrate compliance with “free and open” competition requirements.
- All procurements must have an independent cost estimate (ICE) in advance of award, and preferably in advance of procurement. Selecting the lowest bidder in the absence of an independent cost estimate does not meet HUD or 2 CFR Part 200 procurement requirements.
- Any contracts or procurement actions that exceed the micro-purchase threshold (as defined by 2 CFR 200.67) are required to be posted on the County’s website.
- Requirements for procurement of professional services at 2 CFR 200.59 apply.
- Contract preferences are for firm fixed price contracts, except for professional services contracts that can be time and materials (T&M) contracts. Timesheet documentation is required for all time and materials T&M contracts.
- Goods and services contracts must include:
 - The period of performance or date of completion and the contract amount.
 - Performance requirements and liquidated damages into each procured contract.
- Contracts that will trigger labor standards reporting (Davis Bacon) should specify this in the procurement and include a wage determination. Contract documents should specify reporting requirements. SAM documentation for general contractors and sub-contractors should be in file.
- Contracts triggering Section 3 reporting of labor hours in three categories (total labor hours, Section 3 labor hours, Targeted Section 3 labor hours) should include these requirements in both procurement and contract documents.

5.2.2 Conflict of Interest

Except for the use of CDBG-DR funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons who exercise or have exercised any functions or responsibilities with respect to CDBG-DR activities assisted under this subpart or who are in a position to participate in a decision making process or to gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-DR-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-DR -assisted activity, or with respect to the proceeds of the CDBG-DR-assisted activity, either for themselves or those with who they have family or business ties, during their tenure or for one year thereafter.

5.2.3 Fair Housing and Equal Opportunity

Through the use of CDBG-DR funding, no person should be excluded, denied benefits, or subjected to discrimination on the basis of their race, color, national origin, sex, disability, or age. The County and its subrecipients may not discriminate in any of the following areas: deciding who will be admitted or have access to any CDBG-DR-funded program or activity; providing opportunities in or treating any person with regard to such a program or activity; or making employment decisions in the administration of or in connection with such a program or activity. The County and the subrecipients must administer and fund programs that are in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601–3619), and implementing regulations, and will affirmatively further fair housing.

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

5.2.4 Equal Employment Opportunity Act of 1972

An Equal Employment Opportunity clause as described under 41 CFR 60-1.4(b) must be included in all contracts that meet the definition of a “federally assisted construction contract”.

Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60). (All construction contracts awarded in excess of \$10,000 by subrecipients and/or beneficiary of funds and their contractors.)

5.2.5 Prevention of Fraud, Waste and Abuse

The County will follow the policies outlined in the Prevention of Fraud, Waste, and Abuse policy. The policy can be found on the [Resilient SRQ](#) website.

5.2.6 Americans with Disabilities Act (ADA)

This Act provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications. The ADA also states that discrimination includes the failure to design and construct facilities (built for first occupancy after January 26, 1993) that are accessible to, and usable by, persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily achievable, easily accomplishable, and able to be carried out without much difficulty or expense.

6. Financial Management

6.1 Overview

Subrecipients must maintain a financial management system that meets the requirements found in 2 CFR Part 200 and the applicable subrecipient agreement. In general, these requirements specify that a subrecipient:

1. Provides effective internal control over the accountability for all funds, property, and other assets; adequately safeguards these assets and confirms the assets are used for authorized purposes.
2. Identifies the source and application of funds for CDBG-DR-funded activities.
3. Establishes procedures to verify cost reasonableness, cost allowability, allocable costs, applicable credits, and the composition of costs as either direct or indirect, as noted in 2 CFR Part 200, Subpart E- Cost Principles.
4. Ensures that the CDBG-DR funds used do not violate any applicable restrictions or prohibitions.
5. Permits the accurate, complete, and timely disclosure of financial results.
6. Minimizes the time elapsed between transfer of funds from the County and payment by the subrecipient.
7. Establishes written procedures for determining the allowability of costs in accordance with Subpart E - Cost Principles and the terms and conditions of the subrecipient agreement.

6.2 Procedure

Sarasota County will provide a CDBG-DR System of Record that will serve as the repository for project documentation, including monitoring and compliance. The System of Record will enable Sarasota County to review document files and conduct Duplication of Benefits, Verification of Benefits and related verifications required to comply with CDBG-DR regulations. Subrecipient are required to assemble and

review all compliance documentation and upload it to the System of Record in an orderly manner. Sarasota County will provide training to subrecipients on how to manage their CDBG-DR programs and projects with the system of record.

7. Closeout Procedure and Documentation

When executing closeout procedures, the subrecipient will be required to provide closeout documents to the County. The subrecipient can request final funds when the project meets the following conditions:

- All eligible activities are completed and meet a national objective.
- All funds are expended in full, or the remaining funds are intended to be returned to HUD.
- All reporting requirements as required (e.g., Quarterly Performance Reports, HUD Monthly Status Reports, HUD Contract Reports, other internal reporting) are completed and submitted.
- Any special conditions of the program are met.
- All audit and monitoring issues are resolved.

The County will work with subrecipients to collect all closeout documentation for their files to support HUD requirements for close-out. A final closeout file review will be required to ensure that all documentation required in each step of the process is completed and is compliant. Subrecipients are required to submit documentation, including but not limited to the following:

- Documentation reporting the grant accomplishments and expenditures of each project to the residents of the jurisdiction, including that the HUD national objective was met
- Documentation that funds were expended in full or certification of the return of the remaining funds
- Documentation describing the resolution of any outstanding audit or monitoring issues
- Duplication of benefits verification form
- Certification of completion from an engineer
- Flood insurance documentation, where applicable
- Final inspection and documentation

A final DOB review will be completed by the subrecipient and verified by Sarasota County as part of the closeout process.

8. Appendix - Abbreviations and Definitions

Acquisition – The acquiring of real property, in whole or in part, by the recipient, or other public or private non-profit entity through purchase, long-term lease, donation, or otherwise for any public purpose, subject to the limitation of 24 CFR 570.207. Real property includes air rights, water rights, rights-of-way, easements, and other interests therein (24 CFR 570.201).

Allocable Costs – Costs assigned to a Community Development Block Grant-Disaster Recovery eligible activity with a methodology for clear determination of where to attribute costs.

Allowable Costs – Costs deemed allowable under the Community Development Block Grant-Disaster Recovery rules and regulations and 2 CFR 200 Subpart E.

Americans with Disabilities Act (ADA) – Effective July 20, 1990, a federal law which 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 TDD/telephone relay services.

CFR: Code of Federal Regulations

Community Development Block Grant (CDBG) – Supports community development activities to build stronger and more resilient communities. To support community development, activities are identified through an ongoing process. Activities may address needs such as infrastructure, economic development projects, public facilities installation, community centers, housing rehabilitation, public services, clearance/acquisition, microenterprise assistance, code enforcement, homeowner assistance, etc.

Community Development Block Grant-Disaster Recovery (CDBG-DR) – The Community Development Block Grant Disaster Recovery Program, administered by the U.S. Department of Housing and Urban Development, as authorized under Title I of the Housing and Community Development Act of 1974, as amended. These funds are provided as a last resort to help cities, counties, and states to recover from Presidentially declared disasters.

Consolidated Notice – The U.S. Department of Housing and Urban Development's Community Development Block Grant-Disaster Recovery Consolidated Notice, Appendix B of Federal Register Vol. 88, No. 96. The Consolidated Notice governs all Office of Long-Term Resiliency Community Development Block Grant-Disaster Recovery grants beginning with 2020 disasters and includes amended requirements from previous Federal Register Notices and Community Planning and Development Notices that have regulated Community Development Block Grant-Disaster Recovery funds in the past. The Consolidated Notice includes waivers and alternative requirements, relevant regulatory requirements, the grant award process, criteria for action plan approval, and eligible disaster recovery activities.

Cost Reimbursement – Payment made to the subrecipient after a request for funds has been submitted along with proper supporting documentation and has been approved by Sarasota County. In Community Development Block Grant-Disaster Recovery subrecipient agreements, the subrecipients are required to pay in advance for all completed work that is associated with the deliverables set forth in the subrecipient agreement and is reimbursed based on the invoice and supporting documentation submitted to the Sarasota County.

Disability – Federal nondiscrimination laws define a person with a disability to include any (1) individual with a physical or mental impairment that substantially limits one or more major life activities; (2) individual with a record of such impairment; or (3) individual who is regarded as having such an impairment 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 the U.S. Department of Housing and Urban Development regulations at 24 CFR 5.403 and 891.505.

DRGR: Disaster Recovery and Grant Reporting System developed by HUD. It is primarily used by grantees to access grant funds and report performance accomplishments for grant-funded activities.

Duplication of Benefits (DOB) – When a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose within the same time period, and the total assistance received for that purpose is more than the total need for assistance.

Federal Register (FR) – The official journal of the Federal Government of the United States that contains government agency rules, proposed rules, and public notices issued by federal administrative agencies.

FEMA: Federal Emergency Management Agency

FFATA: Federal Funding Accountability and Transparency Act

Grantee – As used in this document, the grantee is Sarasota County, Florida as recipient of Community Development Block Grant-Disaster Recovery funds from the U.S. Department of Housing and Urban Development.

HCDA: Housing and Community Development Act of 1974, as amended

HUD: The United States Department of Housing and Urban Development

LMI- Low to moderate income persons

Project/Program/Activity – The housing, infrastructure, economic development, or planning endeavor undertaken by Sarasota County, the subgrantee and/or subrecipient using Community Development Block Grant-Disaster Recovery funds.

Quarterly Performance Report (QPR) – The Community Development Block Grant-Disaster Recovery Quarterly Performance Report that is required to be uploaded quarterly in the Disaster Recovery Grant Reporting system for the U.S. Department of Housing and Urban Development’s review of Sarasota County’s disaster recovery programs.

Reasonable Costs – Costs that do not exceed what a prudent person would incur under similar circumstances, as demonstrated by the market price for comparable goods and services. For contracted work, the subrecipient should conduct an independent cost estimate to establish cost reasonableness as outlined in 2 CFR Part 200.

Subsidized Loans – Loans, including forgivable loans, other than private loans. Both Small Business Administration and Federal Emergency Management Agency provide subsidized loans for disaster recovery.

Section 3 – Section 3 of the Housing and Urban Development Act of 1968, as amended, and the implementing regulations at 24 CFR Part 135 and 24 CFR Part 75, as applicable, relating to employment and other economic opportunities for low and very low-income persons.

Special Flood Hazard Area (SFHA) – Areas where the National Flood Insurance Program's (NFIP's) floodplain management regulations must be enforced, and the mandatory purchase of flood insurance applies.

Subcontract – A contract entered into by a subcontractor to furnish supplies or services for performance of a prime contract, or another subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

Subcontractor – Any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a subrecipient. As related to Section 3 of the of the Housing and Urban Development Act of 1968, as amended, any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section 3 covered assistance or arising in connection with a Section 3 covered project.

Subrecipient –Sarasota County Public Entity, that is provided Community Development Block Grant-Disaster Recovery funds from Sarasota County to perform agreed upon eligible disaster recovery activities documented in a Subrecipient Agreement.

Subrecipient Agreement – An agreement between the Sarasota County and the subrecipient for the subrecipient to undertake activities using Community Development Block Grant- Disaster Recovery funds.

Uniform Relocation Assistance and Real Property Acquisition Act (URA) of 1970, as amended – A federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The URA's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects pursuant to 49 CFR Part 24 and applicable waivers provided in the U.S. Department of Housing and Urban Development's Community Development Block Grant-Disaster Recovery Consolidated Notice, Appendix B of Federal Register Vol. 87, No. 23.

Urgent Need (UN) – A need that poses a serious and immediate threat to the health or welfare of the community.

Waiver – A revision to the standard Community Development Block Grant-Disaster Recovery regulations, requirements, and activities, granted by the U.S. Department of Housing and Urban Development.