

November 8, 2018

Heather Martin
Community Disaster Recovery Chief
Florida Department of Economic Opportunity
107 East Madison Street
Tallahassee, Florida 32399-4120

Dear Ms. Martin:

On behalf of the Disaster Housing Recovery Coalition (DHRC), I write to thank you for the opportunity to submit comments on the Amendment to Florida's Community Development Block Grant Disaster Recovery (CDBG-DR) Action Plan.

The DHRC is led by the National Low Income Housing Coalition and includes nearly 800 local, state, and national organizations. DHRC is committed to ensuring the disaster housing recovery and rebuilding efforts are complete and equitable for all impacted individuals, including those with the lowest incomes, who are often hardest-hit by disasters and have the fewest resources to recover.

We would like to reiterate the [comments](#) we submitted on May 3 regarding the Florida State Action Plan and raise the following additional comments on the Draft Substantial Amendment for your consideration:

1. **The CDBG-DR action plan should provide greater resources to address rental housing needs and set deeper income targeting within its rental housing programs to reach renters with the lowest incomes.** As estimated by the State of Florida, the federal disaster recovery funds available to the state will not meet all the unmet affordable housing needs following the 2017 hurricanes. The Federal Register Notice requires the state's Draft Substantial Amendment to reflect equity, in terms of unmet needs, for renters and homeowners. As it stands, rental housing units have suffered four times as much damage as homeowner units throughout the state. This disparity, however, is not represented in the funding of programs; programs geared towards renters' unmet needs are funded at only a third of the level of homeowners-geared programs.
2. **The state action plan must first address unmet housing needs, before proposing to use CDBG-DR funds to improve economic revitalization and infrastructure.** The August 14 HUD Federal Register notice states, "to propose using CDBG-DR funds for economic revitalization and infrastructure unrelated to unmet housing needs . . . a grantee must demonstrate in its needs assessment that there are no remaining unmet housing needs, or that remaining unmet housing needs will be addressed with other sources of funds." The state's Draft Substantial Amendment, however, significantly increases resources for infrastructure projects, while acknowledging (in Table 41) that the housing sector has the most remaining unmet need at nearly 65 percent.

Specific language should be added as to how DEO—as required by HUD’s Federal Register—will specifically: (1) **identify how any remaining unmet housing needs will be addressed, and** (2) **identify how the economic revitalization and infrastructure activities will contribute to the long-term recovery and restoration of housing in the most impacted and distressed areas.**

The state action plan should also ensure that rebuilding plans address the infrastructure needs of all communities fairly, so that communities with inadequate infrastructure before the disaster emerge from the recovery process with an equitable level of infrastructure (roads, bridges, drainage, etc.) that will enable them to better weather future storms.

3. **The Draft Substantial Amendment should both identify and address the unique unmet needs of lower income households.** The Draft Substantial Amendment does not create any set asides to ensure that the needs of Low and Very Low Income households are met. This is concerning, especially since the state’s own plan observes that “[w]hat becomes clear when looking at the number of people who have low- to moderate-income is that every county has multiple areas (block groups) characterized by very low-income levels.” All programs, and particularly rental housing programs, should include a minimum floor set aside for both Very Low and Low Income households.
4. **The State must put in place mechanisms to ensure that the recovery dollars do not lead to the displacement of low-income residents.** For instance, if manufactured community owners receive repair and replacement dollars for homes they own and are renting or if infrastructure dollars are allocated to address community maintenance and mitigation, the State must prohibit increases in lot rental amounts, fees and other efforts to push out low-income households. Owners should be required to disclosure to residents the use of those funds to ensure long-term community resiliency.
5. **Beyond rehabilitation and new construction funds, there is a pressing and ongoing need for direct assistance to displaced renters through the Disaster Housing Assistance (DHAP) program.** The Action Plan provides funding for new construction for rental housing, but it does little to address the needs of tenants who were displaced due to hurricane damage and need housing now. Prior to the damage caused by Hurricane Irma, Florida was already experiencing an affordable rental housing shortage in the counties most impacted by the storm. As such, we recommend providing direct rental assistance that can be extended for up to 48 months while renters wait for new affordable rental housing to be constructed. One alternative is to request FEMA and the U.S. Department of Housing and Urban Development (HUD) make the Disaster Housing Assistance Program (DHAP) available to survivors of Hurricane Irma. DHAP was created from hard lessons learned during Hurricane Katrina, and it has been used successfully after past disasters. Without longer-term housing solutions, like DHAP, families have had no choice but to double or triple up with other families, sleep at shelters, return to uninhabitable homes, or pay more than half of their income on rent, putting them at increased risk of evictions and, in worst cases, homelessness. Communities

of color are disproportionately represented in low to moderate income renter populations, and failure to address the unmet needs of renters will undoubtedly worsen income and racial inequity in recovery.

6. **The plan should require a longer affordability period for rental housing developments built or repaired with CDBG-DR funds to avoid exacerbating the current shortage of affordable rental homes in the state and to maximize the federal and state investment.** According to the National Low Income Housing Coalition’s 2018 [The Gap](#) report, even before the recent hurricanes, there were only 26 affordable and available rental homes for every 100 extremely low income families in Florida. Like other states across the nation, the shortage of affordable rental homes primarily impacts these lowest income households. As a result, 79% of these households pay at least half of their income on rent, leaving few resources for other basic needs. While the state’s current affordability restriction for the Low Income Housing Tax Credit (LIHTC) – the principle source of financing for affordable housing properties – is 50 years, the amendment to the Action Plan sets far less robust standards. In fact, the Action Plan allows local governments to define affordability periods for single family rental housing, and it sets the minimum affordability period for rehabilitated or reconstructed multifamily rental housing with eight or more units at a minimum of 15 years and for newly constructed multifamily rental housing consisting of five or more units at a minimum of 20 years.
7. **The Draft Substantial Amendment should provide a racial impact analysis of the damage from the storm and how resources will be allocated.** The Federal Register allocation requires that the Florida Department of Economic Opportunity (DEO), as a grantee, “assess how planning decisions may affect members of protected classes, racially and ethnically concentrated areas, as well as concentrated areas of poverty.” The requirement to assess the effects of planning decisions on members of protected classes and racially and ethnically concentrated areas should be incorporated into this Draft Substantial Amendment as “funds allocated under this notice and under the Prior Notice are subject to the requirements of this notice and the Prior Notice (as amended).” The February 2018 notice has language requiring an assessment of ethnically concentrated areas, which should also apply to funds from this most current allocation.
8. **The Draft Substantial Amendment should also describe impacts below the county level (zip code or neighborhood level).** A functional racial impact analysis that truly evaluates impact on ethnically concentrated areas can only occur if the demographic information is made at the most granular level. The Federal Register sets a minimum of “impacts geographically by type at the lowest level practical (e.g., county level, zip code, neighborhood, or census tract).” Although Table 4 provides survey data on race and Hispanic origin, it aggregates it to the 15 designated counties that spread from as far south as Monroe County to as far north as Duval County.
9. **While the Repair and Replacement Program notes that mobile home owners are eligible, the action plan fails to clarify how it will meet the needs of low-income families and seniors in mobile home communities in the hardest hit counties.** First, inspections must be available to

reassess damage to these homes because FEMA inspections conducted right after Hurricane Irma did not capture the damage that has occurred through water saturation over the last year. Second, it is unclear how the State will serve the tens of thousands of mobile homeowners that are not eligible for repair assistance because their homes are more than 5 years old or have more than \$15,000 in damage. The State must ensure a cost-effective system for replacing mobile homes with high quality, safe homes (that meet local building code requirements) for all who need them. We recommend the State explore bulk purchase of replacement homes through local or non-profit manufacturers and the use of local installation companies. In addition to new replacement homes, we suggest that mobile home owners that need to replace their homes be given the option to purchase an existing home in another community. The replacement program for mobile homes must also be sure to cover the cost of clearing the damaged home and debris and ensure that homeowners are not subject to any fees and fines by manufactured home community owners or local code enforcement.

Thank you for your consideration of these proposed changes.

Sincerely,

A handwritten signature in cursive script that reads "Diane Yntel".

President and CEO
National Low Income Housing Coalition