

HURRICANE IRMA COMMUNITY RECOVERY COALITION

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Heather Martin
Community Development Block Grant - Disaster Recovery Program
Department of Economic Opportunity
107 East Madison Street
Caldwell Building
Tallahassee, Florida 32399-4120
Via email CDBG-DR@DEO.MyFlorida.com

Ms. Martin:

We are writing to share our comments on the Florida Department of Economic Opportunity's *State Action Plan for Disaster Recovery- Draft Substantial Amendment*,¹ (the "Draft Substantial Amendment"), posted for public comment on October 9, 2018. As members and leaders of community-based organizations across the state, we were on the frontlines hours after Hurricane Irma made landfall and remain involved in communities still struggling to recover today.

As you finalize the Draft Substantial Amendment, we ask that you ensure equity for renters, address unmet needs of most vulnerable households, increase the affordability period to 50 years, meet the needs of manufacture or mobile home owners, provide a racial impact analysis at the most granular level, and affirmatively further fair housing. These changes are essential in order for the plan to benefit low and moderate income families in impacted communities.

Equity for Renters

As required by the Federal Register Notice, the Draft Substantial Amendment should reflect equity, in terms of unmet needs, for renters and homeowners. As it stands, rental units have suffered four times as much damage as homeowner units throughout the state.² However, this disparity 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.³ Beyond rehabilitation and new construction funds, there is a pressing and on-going need for direct assistance to displaced renters through the DHAP program or other means. Communities of color are disproportionately represented in low to moderate income renter populations, failure to address the unmet needs of renters will undoubtedly worsen inequity in recovery.

Address Unmet Needs of Most Vulnerable Households

The Draft Substantial Amendment should both identify and address the unique unmet needs of lower income households. The Draft already identify these income categories by grouping them in the following classifications: "Very Low Income,"⁴ as having annual income at 30% below the AMI, "Low Income,"⁵ as having annual income at 31% to 50% of the AMI, and "Moderate

¹ Florida Department of Economic Opportunity's *State Action Plan for Disaster Recovery- Draft Substantial Amendment*, available at <http://www.floridajobs.org/community-planning-and-development/assistance-for-governments-and-organizations/disaster-recovery-initiative>

² Florida Department of Economic Opportunity's *State Action Plan for Disaster Recovery- Draft Substantial Amendment*, p. 51.

³ Florida Department of Economic Opportunity's *State Action Plan for Disaster Recovery- Draft Substantial Amendment*, p. 96-108.

⁴ Florida Department of Economic Opportunity's *State Action Plan for Disaster Recovery- Draft Substantial Amendment*, p. 23.

⁵ *Id.*

Income,”⁶ as having annual income at 51% to 80% of the AMI.⁷ However, the Draft Substantial Amendment does not create any set-asides to ensure that those in the Low and Very Low Income categories needs are met. This is extremely 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.”⁸ All programs, and particularly rental housing programs, should include a minimum floor set aside for both Very Low and Low income households.

Manufactured Homes

Another critical low-income housing need that must be met before making infrastructure expenditures is the repair and replacement of manufactured homes.⁹ Manufactured or mobile homes are a crucial form of affordable housing and nearly 10 percent of the nation’s mobile homes are located in Florida. Over two hundred thousand mobile home owners applied for FEMA assistance.¹⁰ As the draft amended action plan notes, mobile homes are particularly susceptible to flood and wind damage, and the home repair needs and health impacts often worsen significantly months after a hurricane because of water saturation, mold, and mildew.

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.

Finally, it is critical that State resources for repair and replacement of homes and infrastructure fixes benefit low-income residents and do not line the pockets of corporate community owners, many of which are out of state companies. In particular, the State must put in place mechanisms to ensure that the recovery dollars are not incentivizing displacement of low-income residents. For instance, if manufactured community owners receive repair and replacement dollars for homes they own and are renting or infrastructure dollars for community maintenance and mitigation, the State must prohibit increases in lot rental amounts or fees or other efforts to push out low-income households and require owners to disclose to residents the use of those funds to ensure long-term community resiliency.

Racial Impact Analysis at Most Granular Level of Data

The Draft Substantial Amendment should provide a racial impact analysis. HUD’s Federal Register notice, published on February 9, 2018 (the “Prior Notice”), 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 . . .”¹¹ The requirement, from the prior notice, to assess the effects of planning decisions on

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*

⁹ *See*, 83 F.R. 5844

¹⁰ Florida Department of Economic Opportunity’s *State Action Plan for Disaster Recovery- Draft Substantial Amendment*, p. 48.

¹¹ 83 F.R. 5850.

members of protected classes, and racially and ethnically concentrated areas also applies to 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).”¹²

The Draft Substantial Amendment should also describe impacts below the county level (zip code, neighborhood). A functional racial impact analysis that truly evaluates impact on ethnically concentrated areas, for example, can only occur if the demographic information are made at the most granular level. The Federal Register allocation itself requires that “at a minimum, the needs assessment must: . . . [d]escribe impacts geographically by type at the lowest level practical (e.g., county level, zip code, neighborhood, or census tract). . .”¹³ In Table 4, DEO includes statewide demographic information of all those affected by Hurricane Irma. However, that cannot be the basis upon which DEO “assess[es] how planning decisions may affect members of protected classes, racially and ethnically concentrated areas, as well as concentrated areas of poverty . . .”¹⁴ One cannot analyse racially and ethnically concentrated areas, when only statewide aggregated data is provided. Table 4 provides survey data on race and Hispanic origin, aggregated from the 15 designated counties that spread from as far south as Monroe County to as far north as Duval County. Furthermore, the plan does not provide any discussion or assessment of how planning decisions may affect racially and ethnically concentrated areas. On that point, it is completely silent and thus runs afoul of the requirement in the Federal Register Notice.

Affordability Period

The Draft Substantial Amendment should minimize displacement by increasing the affordability period to 50 years. This coalition previously commented on this very important point. In response, the DEO stated that “[it] appreciates the comments regarding the minimum affordability period and AMI categories. DEO has followed HUD guidance on minimum affordability periods for rental housing, which is **at least 20 years**.”¹⁵ Contrary to this guidance, and well below our proposal of 50 years, DEO has proposed that “rehabilitated or reconstructed multifamily rental housing with eight or more units remain affordable for a minimum of **15 years**.”¹⁶

Addressing Unmet Housing Needs

The August 14, 2018 Federal Register Notice states that to propose unmet economic revitalization or infrastructure needs that are unrelated to unmet housing needs, DEO must first “demonstrates in its needs assessment that there is no remaining unmet housing need or that the remaining unmet housing need will be addressed by other sources of funds.”¹⁷ Given that Table 41 indicates that the housing sector has the most remaining unmet need at nearly 65 percent, specific language should be added as to how DEO—as stated in the Federal Register—will specifically:

- “identify how unmet housing needs will be addressed,”¹⁸ or
- how “infrastructure activities will contribute to the long-term recovery and restoration of housing in the most impacted and distressed areas.”¹⁹

Affirmatively Furthering Fair Housing

The Draft Substantial Amendment should comply with Affirmatively Furthering Fair Housing (AFFH) obligation in allocating funds for the housing programs. Funding of programs should comply with AFFH requirements in a manner that prevents

¹² 83 F.R. 40316.

¹³ 83 F.R. 5849.

¹⁴ 83 F.R. 5850.

¹⁵ Florida Department of Economic Opportunity’s *State Action Plan for Disaster Recovery- Draft Substantial Amendment*, p. 175 (emphasis added).

¹⁶ Florida Department of Economic Opportunity’s *State Action Plan for Disaster Recovery- Draft Substantial Amendment*, p. 85 (emphasis added).

¹⁷ 83 F.R. 40315.

¹⁸ 83 F.R. 5844

¹⁹ *Id.*

displacement and provides impacted residents with the choice to stay in their existing communities or relocate to other desired locations.

Sincerely,

Andrea Mercado, [NewFL Majority](#)
[Manufactured Housing Action](#)
Marleine Bastien, [FANM](#)

Jean-Luc Adrien, [Community Justice Project](#)
Gretchen Beesing, [Catalyst Miami](#)
Gepsie Metellus, [Sant La Haitian Neighborhood Center](#)