# Lexington County

# Community Development Block Grant Disaster Recovery

## *Action Plan*

## DRAFT August 29, 2016

Community Development Block Grant - Disaster Recovery Funds (CDBG-DR)
Authorized by the Disaster Relief Appropriations Act, 2016 PL 114-113
U.S. Department of Housing and Urban Development
Federal Register Notice 5928-N-01

DRAFT

**Introduction** ..... 3

**Needs Assessment** ..... 5
- **Unmet Housing Needs** ..... 5
  - Challedon ..... 7
  - Pineglenn ..... 8
  - Whitehall ..... 9
  - Coldstream ..... 10
  - Riverland Park ..... 11
  - Other Housing Needs ..... 12
  - Unmet Housing Needs Summary ..... 12
- **Unmet Economic Needs** ..... 13
- **Unmet Public Facilities & Infrastructure Needs** ..... 13

**Citizen Participation Efforts** ..... 14
- **Public Meetings & Consultation** ..... 14
- **Summary of Pubic Comments** ..... 15
- **Consultation with Stakeholder Organizations** ..... 15

**Planning & Coordination** ..... 16

**Allocation of Funds** ..... 17

**Detailed Description of Programs & Activities** ..... 20
- **Planning** ..... 20
- **Administration** ..... 20
- **Infrastructure** ..... 21
  - Housing Buy-outs ..... 22
- **Minor Owner Occupied Housing Rehabilitation** ..... 24

**Duplication of Benefits** ..... 25

**Other CDBG-DR Requirements** ..... 27
- **Uses of Urgent Need** ..... 27
- **Leveraging Funds** ..... 27
- **Timely Expenditure of the Funds** ..... 27
- **Low to Moderate Income (LMI) Households Set-Aside** ..... 28
- **Timely information on application status** ..... 28
  - Appeals Process ..... 29

**Monitoring Standards & Reporting Requirements** ..... 31
- **Disaster Recovery Grants Reporting Database (DRGR)** ..... 31
- **Quarterly Performance Reports (QPRs)** ..... 31
- **Program Income Reporting & Tracking** ..... 31
- **Disaster Recovery Program Website** ..... 32
- **Program Auditor** ..... 32

DRAFT

## Introduction

In late September, 2015 discussions of a serious storm threatening the midlands of South Carolina were underway. Local government jurisdictions were talking with personnel from the State Emergency Management Division as well as with staff from the National Weather Service, local news media and emergency response personnel of the potential for severe damages throughout the community. Preparations were made in case a response was needed.

On the evening of October 1st, as the rain continued to fall, South Carolina Governor Nikki Haley issued a Declaration of a State of Emergency throughout the state. Over the next 72 hours, as rains fell, trees began to topple and citizens grew more nervous, the Emergency Management Division of the County of Lexington monitored the events occurring throughout the county, hoping the situation would not continue, yet suspecting the situation would get worse before it got better. That suspicion soon became truth and at approximately 5:30 a.m. on October 4th, the County of Lexington Emergency Operations Center reached OPCON 1 (operation condition 1), the center was brought to full operational level and the first responders throughout the county were staged and ready to respond. At approximately 9:00 a.m. that morning, the first of the emergency shelters was opened and citizens who were in need of shelter and/or other immediate assistance and were able to get about were directed to those shelters.

Over the course of that morning, numerous efforts were put forth to notify the citizens of Lexington County's communities of the severity of the situation. At approximately 1:48 p.m. an evacuation notice was issued for residents of the Whispering Wind area. Again, at 4:26 p.m. residents along the Saluda and Congaree Rivers received evacuation notices; at 5:18 an evacuation notice specific to Riverland Park (a subdivision adjacent to the Congaree River) was issued.

As the sun set on October 4, the rains continued to fall and the water ways continued to rise. At 1:20 a.m. on August 5, eighty-seven (87) residents of the Pineglen neighborhood were evacuated by emergency responders. Less than 5 hours later, the South Carolina Electric & Gas Company opened three (3) Spillway Gates at the Lake Murray Dam and the Saluda River continued to swell at a rapid pace. At 9:52 a.m., an Evacuation notice was issued to Pineglen, approximately 50 minutes later, an evacuation notice went out to residents along the adjacent Bush River Road corridor and at 11:04, residents along St Andrews Road received an evacuation notice. And finally, at 11:48 an evacuation notice was sent to all those residing in the Saluda River area. Both Bush River Road and St. Andrews Road run close by and parallel to the Saluda River. On October 5th, 2015, President Obama declared parts of South Carolina a disaster area making federal funds available in 24 counties across South Carolina.

As the waters finally began to subside, County of Lexington personnel began the task of assessing the damage. Within several days, aerial photography was completed over the most impacted areas and staff from the GIS/Mapping Department began updating maps to

DRAFT

identify areas where damage assessment was needed. Personnel from the County Assessor's office, the County Public Works Department and the County Building Inspections and Safety Division began to determine the extent of the damages to residences, non-residential structures, public facilities and public infrastructure. Shortly thereafter, these personnel began the task of completing Initial Damage Estimates of all structural and infrastructure damage in the County. During this time, shelters remained open and first responders worked to insure the safety of our citizens. Soon, with the assistance of personnel from FEMA and from an outside contractor brought in by the county, the process of completing FEMA Substantial Damage Assessments began.

Eventually, the rains stopped, the water subsided and many citizens were able to get back to their "normal" lives. But for some, normalcy still has not returned. For many of the citizens of Pineglen, Riverland Park as well as those in nearby Whitehall, Challedon and Coldstream, the storm still rages as they try to put back together the pieces of their lives. While the children may be back in school, and the parents might have returned to work, they find themselves living in a home that is not the home they were in on October 3rd. In some cases, they may be in the same building, on the same piece of land but it is no longer home.

As a result of the October 2015 storm, the County of Lexington was allocated $16,332,000 as part of Section 420 of the Transportation, Housing and Urban Development, and Related Agencies Appropriations action, of 2016, under Public Law 114-113 and approved December 18, 2015, which made available total funding of $300 million in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared in 2015. These funds are commonly referred to as Community Development Block Grant – Disaster Recovery or CDBG-DR funds.

Additionally, *Public Law 114-113*, "each grantee must submit an Implementation Plan that describes the grantee's capacity and ability to manage the CDBG-DR program. The Implementation Plan was submitted to HUD on July 21st, 2016. and is available for review on the County's Disaster Recovery webpage. In addition to the Implementation Plan, the regulation requires each grantee to submit an Action Plan. The Action Plan must describe the grantee's plans to carry out the recovery, including the operational and program management functions relative to CDBG-DR funding. The following document has been prepared in compliance with these requirements and constitutes the County of Lexington's *Disaster Recovery Action Plan (Action Plan)*. The Action Plan establishes how the County will implement the CDBG-DR program effectively and responsibly as stated with *PL 114-113*. We believe this plan offers the most effective and efficient opportunity to use these funds towards helping the citizens of this County to recover.

DRAFT

## Needs Assessment

The unmet needs assessment is used to determine the extent of remaining needs and to help prioritize those needs. The County's assessment evaluated three core recovery sectors: (1) housing; (2) the economy; and (3) infrastructure. According to HUD, "unmet needs" are financial resources necessary to recover from a disaster that are not satisfied by disaster funding sources like FEMA Individual Assistance, SBA Disaster Loans, or private insurance. The County's analysis includes these sources mentioned, plus already-donated labor and materials that can be quantified. In accordance with HUD guidance, the County of Lexington completed the following unmet needs assessment to identify priorities for use of CDBG-DR funding provided as a result of extended rainfall and flooding in October 2015. The assessment below utilizes federal and state resources including data provided by FEMA, HUD and SBA to estimate unmet needs in the three categories of damage: housing, economic development, and infrastructure.

Following the storm, the County, with leadership from the Emergency Management Division of the Public Safety Department, undertook the completion of Substantial Damage Assessments, utilizing FEMA guidelines, for all homes impacted by the storm. Therefore, this analysis relies heavily on County data regarding damaged properties, supplemented by summary reports provided by FEMA and SBA.

### Unmet Housing Needs

The vast majority of homes damaged as a result of the October 2015 storm event(s) were located in five (5) specific subdivisions within two (2) geographic areas of the county. The first geographic area is best described as in the northeastern section of the County. These subdivisions are among the oldest suburban areas of the County with development beginning in late 1960's to early 1970's, with a large percentage of the homes being built before the advent of zoning regulations and/or flood maps in the area. A large percentage of the homes in these subdivisions are ranch style homes, one-story, two-story and/or tri-level design, usually built on a slab style foundation. These subdivisions are commonly referred to as:

- **Pineglen**
- **Challedon**
- **Whitehall**
- **Coldstream**

This section of the County is bordered on the west by the Saluda River and Lake Murray, on the north by Lake Murray, Richland & Newberry Counties, on the east by Richland County and the City of Columbia, and to the south by interstate I-26 and the Saluda River. This area is sometimes referred to as the Irmo area and sometimes as the St. Andrews Road and/or Harbison area. According to the US Postal Service, the area is part of their Columbia service area. For this reason there is no widely accepted geographic identifier for the area that includes these subdivisions.

DRAFT

In addition to the Saluda River and Lake Murray, which provide boundaries for the area, there are several major creek systems which run through the area, most running through or adjacent to the above named subdivisions. Among those water systems are Rawl's Creek, which runs through the Coldstream Subdivision and Kinley Creek, with its K-1 and K-2 tributaries, which run through Pineglen, Challedon and Whitehall. Kinley Creek intersects with the Saluda River within approximately 500 yards of Pineglen, this convergence often creates a situation where high volumes of water coming down the river, coupled with high volumes of water flowing down the creek, causes water to flood the area, often times the flooding engulfs many of the homes in the area. In many cases, because of the erosion of the often, fast flowing water, the creek has widened into the yards of homeowners so that now the banks of the creek are frequently within 10 to 15 feet of the residential footprint. The water flow through the Kinley Creek system and the Rawl's Creek system is heavily influenced by the tremendous development of the surrounding area. Particularly with the Kinley Creek system, much of the water flow increase is influenced by up-stream growth Richland County and the expansion of the adjacent I-26. In this case, Lexington County has little to no input in how that up-stream development is designed and/or managed

The second geographic area experiencing heavy residential flooding is within the legal boundaries of the City of Cayce. For the most part, the City is situated along the banks of the Congaree River. Just up-stream of the City of Cayce, the Broad River and the Saluda River merge to form the Congaree River. The Congaree then serves as an eastern border between Cayce and the City of Columbia. Because of the historical importance of the Congaree River to the City of Cayce, many residential and commercial structures stand along the river in the City of Cayce; among them are the homes in **Riverland Park**, the fifth subdivision referenced above. Much like the subdivisions listed above, Riverland Park is an older subdivision, with many of the houses being constructed in the early to mid 1970's. Here again, most of these houses were designed and constructed using the popular styles and materials of the era. For that reason, we again see mostly single and double story homes built on slab foundations.

Each of these five neighborhoods have been identified as a *Disaster Risk Reduction Area*, as defined in P.L.114 - 113. Under the regulatory criteria for determining the *Disaster Risk Reduction Areas*, these neighborhoods each meet the following criteria 1) create hazardous living conditions that were exacerbated by the October 2015 storms and are part of the Presidentially declared disaster and 2) the hazardous conditions create an predictable environmental threat to the safety and well-being of area residents. Maps of each neighborhood, identifying the *Disaster Risk Reduction Areas*, are provided on the following pages along with additional details of each neighborhood.

DRAFT

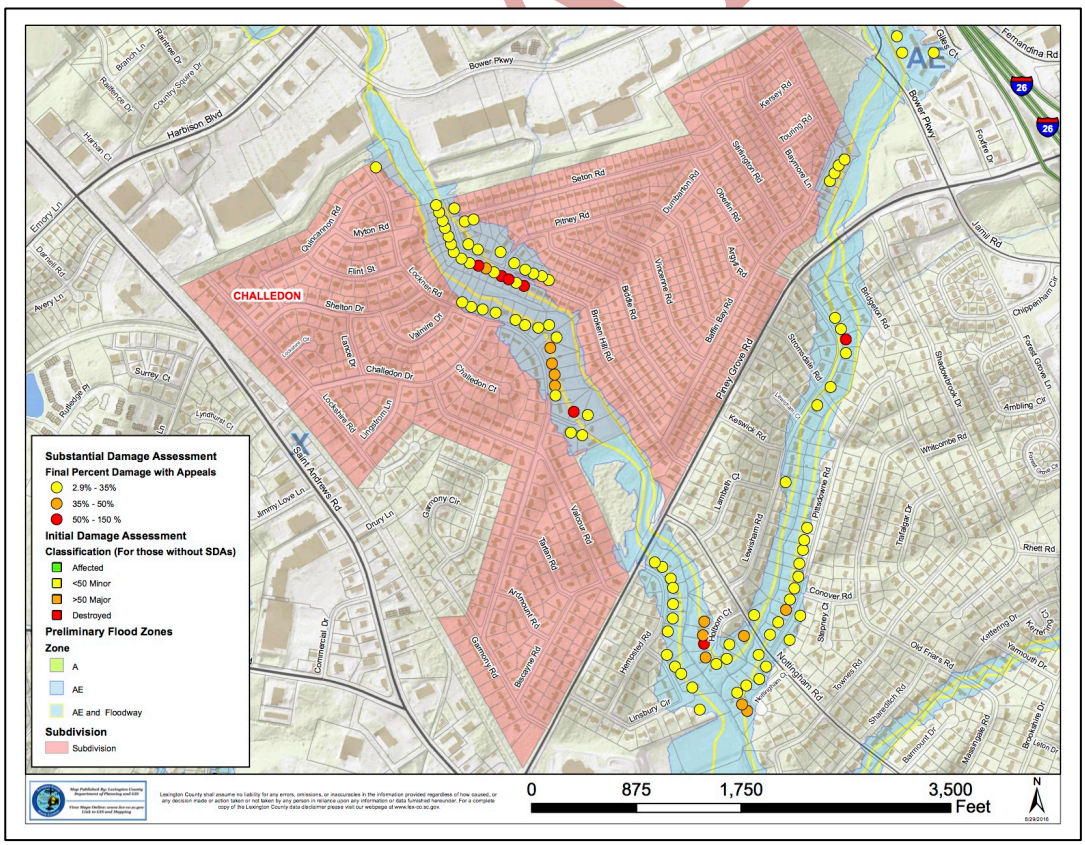
## Challedon

Within the Challedon neighborhood, 50 homes were assessed as part of the County's Substantial Damage Assessment (SDA) efforts. The average percentage of housing damage, compared to the housing value, was 28.72%. Five homes were identified as being substantially damaged with percent damages ranging from 63.4% to 94% damage. As of the date of this Action Plan publication, building permits have been issued for the rehabilitation of 24 homes in the neighborhood.

The average pre-storm value of homes in this neighborhood is $93,804. Thus the average damage calculation is $26,941 per household. Given the number of permits already issued, there exists a minimum of $700,466 in housing rehabilitation needs. However, the County has identified this neighborhood as *Disaster Risk Reduction Area* with a high priority for residential buy-outs. As such, utilizing the SDA data for the 50 homes and the average pre-storm value, there is a potential buy-out need of $4,690,200 which does not include the costs to clear these lots or any additional incentives that may be provided to homeowners and/or renters in these homes.

This neighborhood was the only LMI Area, as defined by HUD, within the County of Lexington that experienced significant storm impacts. Per HUD data, 66% of the households in this area are considered low-to-moderate income.

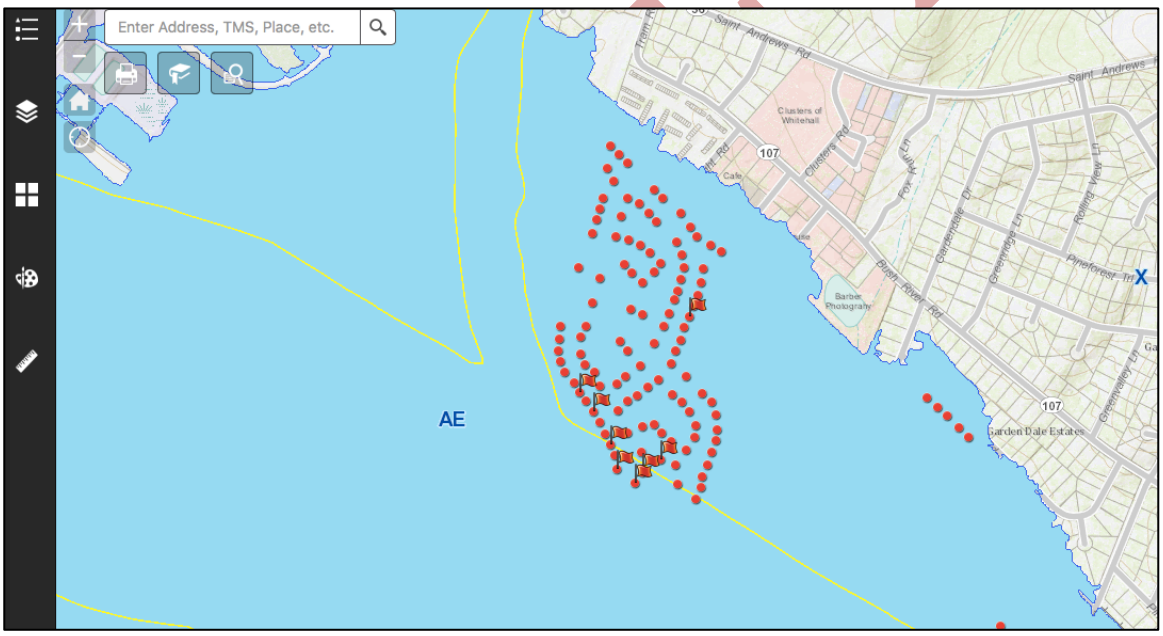
DRAFT



## Pineglenn

Within the Pineglenn neighborhood, 111 homes were assessed as part of the County's Substantial Damage Assessment (SDA) efforts. The average percentage of housing damage, compared to the housing value, was 25.04%. Nine homes were identified as being substantially damaged with percent damages ranging from 57.5% to 100% damage. As of the date of this Action Plan publication, building permits have been issued for the rehabilitation of 82 homes in the neighborhood.

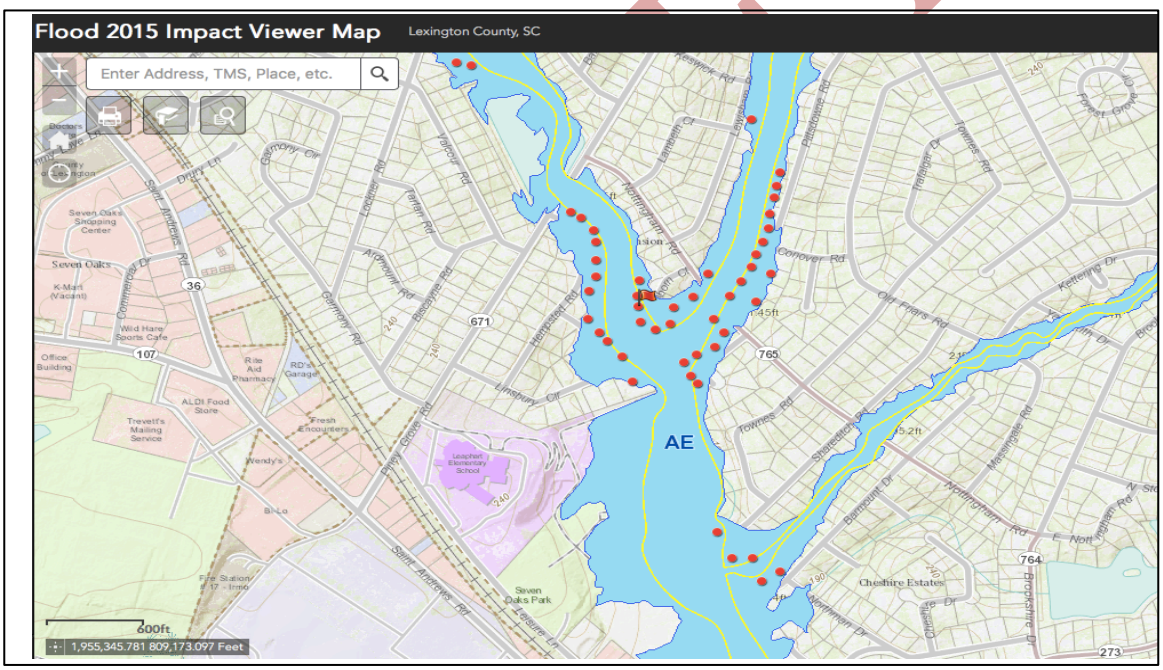
The average pre-storm value of homes in this neighborhood is $77,495. Thus the average damage calculation is $19,405 per household. Given the number of permits already issued, there exists a minimum of $562,745 in housing rehabilitation needs. However, the County has identified this neighborhood as *Disaster Risk Reduction Area* with a high priority for residential buy-outs. As such, utilizing the SDA data for the 50 homes and the average pre-storm value, there is a potential buy-out need of $8,601,945 which does not include the costs to clear these lots or any additional incentives that may be provided to homeowners and/or renters in these homes. Per HUD data, 46% of the households in this area are considered low-to-moderate income.



## Whitehall

Within the Whitehall neighborhood, 52 homes were assessed as part of the County's Substantial Damage Assessment (SDA) efforts. The average percentage of housing damage, compared to the housing value, was 20.58%. Two homes were identified as being substantially damaged with percent damages of 57.7% and 81.0% damage. As of the date of this Action Plan publication, building permits have been issued for the rehabilitation of 29 homes in the neighborhood.

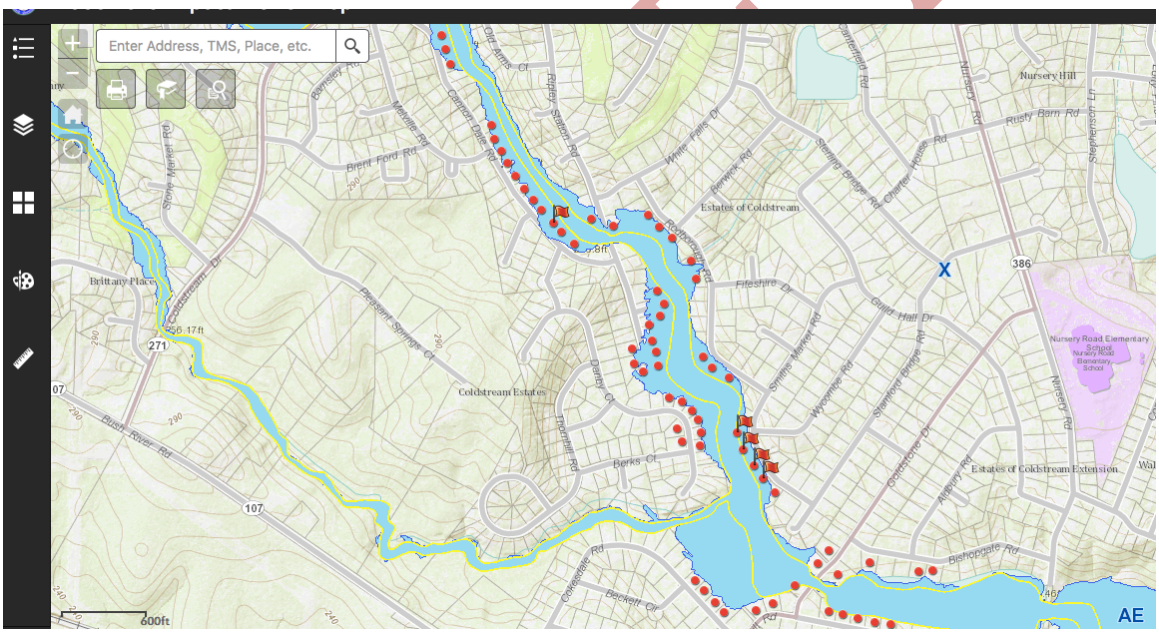
The average pre-storm value of homes in this neighborhood is $135,457. Thus the average damage calculation is $27,877 per household. Given the number of permits already issued, there exists a minimum of $641,172 in housing rehabilitation needs. However, the County has identified this neighborhood as *Disaster Risk Reduction Area* with a high priority for residential buy-outs. As such, utilizing the SDA data for the 52 homes and the average pre-storm value, there is a potential buy-out need of $7,043,764 which does not include the costs to clear these lots or any additional incentives that may be provided to homeowners and/or renters in these homes. Per HUD data, 10% of the households in this area are considered low-to-moderate income.



## Coldstream

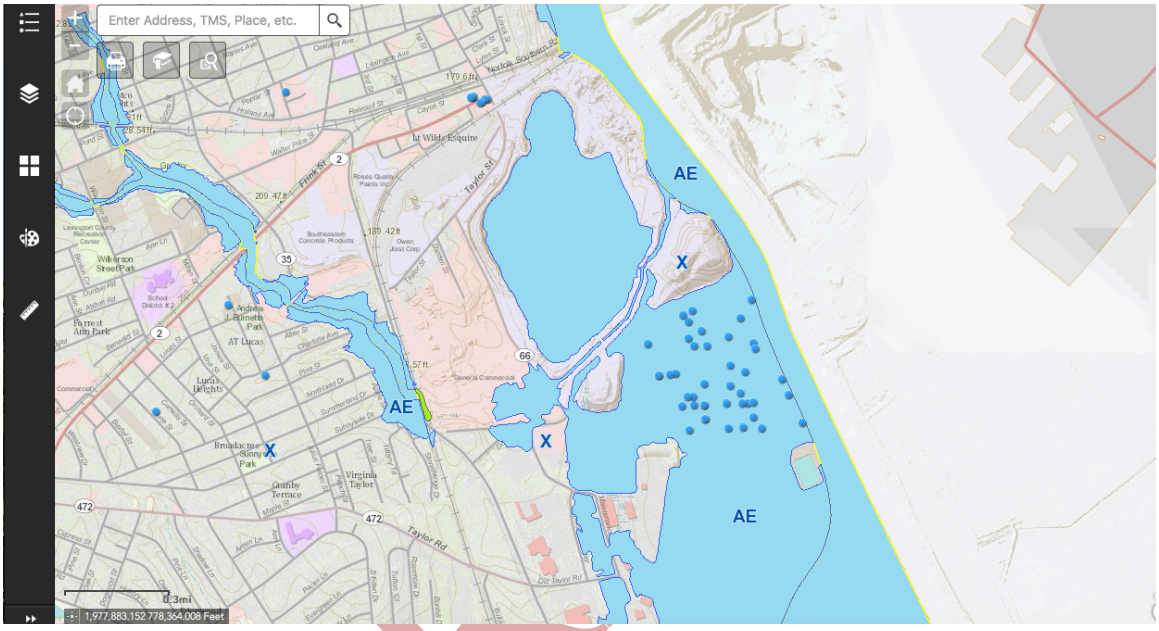
Within the Coldstream neighborhood, 72 homes were assessed as part of the County's Substantial Damage Assessment (SDA) efforts. The average percentage of housing damage, compared to the housing value, was 25.15%. Five homes were identified as being substantially damaged with percent damages ranging from 69.0% to 100.0% damage. As of the date of this Action Plan publication, building permits have been issued for the rehabilitation of 45 homes in the neighborhood.

The average pre-storm value of homes in this neighborhood is $134,623. Thus the average damage calculation is $33,858 per household. Given the number of permits already issued, there exists a minimum of $914,157 in housing rehabilitation needs. However, the County has identified this neighborhood as *Disaster Risk Reduction Area* with a high priority for residential buy-outs. As such, utilizing the SDA data for the 72 homes and the average pre-storm value, there is a potential buy-out need of $9,692,856 which does not include the costs to clear these lots or any additional incentives that may be provided to homeowners and/or renters in these homes. Per HUD data, 27% of the households in this area are considered low-to-moderate income.



## Riverland Park

The Riverland Park neighborhood is within the City limits of Cayce, as such the County did not conduct Substantial Damage Assessments for homes within this neighborhood. The County did assess 42 homes part of the County's Initial Damage Assessment (IDA). Unfortunately, this assessment does not provide damage percentages or home values thus an unmet need calculation cannot be made at this time. However, as indicated on the map below, given the large number of homes in this neighborhood that are located within the proposed flood hazard area, this neighborhood as been identified as a *Disaster Risk Reduction Area.*




DR

### Other Housing Needs

In addition to the five neighborhoods identified above, the County completed an additional 65 Substantial damage Assessments for homes across the County. The average percentage of housing damage, compared to the housing value, was 18.16%. One home was identified as being substantially damaged with a percent damage of 50.4%. As of the date of this Action Plan publication, building permits have been issued for the rehabilitation of 26 homes in the neighborhood.

The average pre-storm value of homes in this neighborhood is $151,562. Thus the average damage calculation is $27,523 per household. Given the number of permits already issued, there exists a minimum of $1,073,397 in housing rehabilitation needs.

In addition to the SDA efforts, the County made efforts to meet with local providers of public housing, special needs housing an housing services as well as the local homeless Continuum of Care organization. Each of these organizations provided feedback related to the storm impact realized by their organizations and by their clients. Throughout the region there existed a severe shortage of affordable housing options and housing related services for special needs populations. The storm initially increased the need for housing options and services. However, while each organization and their clients certainly experienced significant storm impacts and distress, at this point in time, there is not a remaining unmet need related to disaster recovery.

### Unmet Housing Needs Summary

Given the data available at this time, the County of Lexington has an unmet need for housing rehabilitation of $3,891,937 which represents the needs of 134 households. Furthermore, were the County able to buy-out all of the damaged homes within each of the four Disaster Risk Reduction Areas (not counting Riverland Park due to data gap) there exists an unmet need of $30,028,765 for residential buy-outs. Again, this figure does not include the homes located in Riverland Park, nor does this calculation account for demolition and clearance or any other assistance for homeowners and/or renters of the damaged homes.

DRAFT

### Unmet Economic Needs

Similar to the housing providers discussed above, there were certainly businesses impacted by the storms. My businesses were temporarily closed and operations were impacted. The County has conducted extensive outreach to identify any businesses that have remained closed or have not returned to pre-storm capacity. Again, at this time, there does not appear to be any remaining unmet need related to disaster recovery.

### Unmet Public Facilities & Infrastructure Needs

In addition to homes and businesses being impacted, a variety of public facilities and public infrastructure were damaged as a result of the October storms. Across the County, more than twenty miles of roads were severely damaged, three bridges were determined un-safe and have been closed. Additionally, 24 private dams were damaged. At least 16 roads are still closed due to storm damage and 8 private dams have not been substantially rehabilitated as well as three bridges are still closed due to safety concerns. The estimated total unmet need for these infrastructure projects exceeds $20,250,000.

In addition to damaged infrastructure, several public facilities were also damaged including the public restroom facilities at the Saluda Shoals Park, managed by the Irmo-Chapin Recreation Commission, sustained substantial damage. However, the Commission has since repaired those facilities and the park is back to pre-storm operations.

DRAFT

## Citizen Participation Efforts

### Public Meetings & Consultation

In an effort to ensure all citizens had an opportunity to provide feedback, the County has completed extensive Citizen Participation efforts. These efforts include, neighborhood meetings, stakeholder meetings and interviews, an unmet needs survey, several public presentations to County Council as well as providing comment cards and contact information should citizens wish to provide direct feedback.

The County hosted three neighborhood meetings open to the public. The meetings were advertised on the County's website, and through local print and television media via the County's Public Information Office. The fist of the neighborhood meetings was held on July 28th at Seven Oaks Park which is centrally located among several of the high impact areas and generally serves the neighborhoods of Challedon, Pineglenn, Whitehall and Coldstream. There were well over one hundred residents in attendance as well as local media outlets, representatives from County government and from County Council. Staff, along with consultants, presented the County's initial plan for implementation of the CDBG-DR program. While attendees were generally receptive to the plans, there were significant concerns with the allocations and the initial goals for the program. At this meeting, staff provided attendees with an *Unmet Needs Survey* as well as a general *Comment Form* (samples of both are provided in the Appendix section of this Plan). The survey and comment forms were also made available on the County's website and during all other public meetings. The feedback garnered from this event was instrumental in determining the County's CDBG-DR funding allocation rationale and the program goals.

The second neighborhood was held on August 22nd at the Lexington County Public Library's Cayce – West Columbia Branch near the Riverland Park neighborhood. During this meeting, staff presented an updated plan for the CDBG-DR program that more heavily favored buy-outs across the high impact neighborhoods. While turn out was low, the feedback supported the County's updated plan for funding allocations and program goals.

The final neighborhood meeting [will be] held on September 1st at Seven Oaks Park. The purpose of this meeting [will be] to present the residents of these communities with the County's updated Action Plan including funding allocations, program goals & guidelines, as well as the application process for residents interested in participating in one of the County's CDBG-DR programs.

In addition to the neighborhood meetings, staff, along with its consultants, provided numerous updates to the County Administrator and to County Council including two formal presentations during County Council meetings. The first presentation was made on June 28th and described staff's initial plan for the CDBG-DR program. As indicated above however, citizen feedback on this initial plan influenced staff to make changes to the allocation methodology and the program goals. With this in mind, staff made an updated presentation to County Council on August 23rd as part of the regularly scheduled County Council meeting.

DRAFT

The Draft Action Plan [will be] made available for public review and comments from Monday August 29th, 2016 through Monday September 12th, 2016. The Action Plan draft was and still is available on the County's CDBG-DR website: http://www.lex-co.sc.gov/departments/DeptAH/communitydevelopment/Pages/CDBG-DR.aspx

## Summary of Pubic Comments

Overwhelmingly the citizen feedback in all formats has been supportive of a well funded buy-out program. As described in the Unmet Needs section of this Plan, the high impact neighborhoods in the County are older neighborhoods that have a long history of flooding. Forty-five residents have provided completed unmet needs surveys, every respondent indicated yes, they would be interested in a housing buy-out over other program options. An additional 22 residents completed comment cards with responses mostly focusing on the allocation and implementation methodology. As mentioned above, the feedback provided by citizens has had a significant impact on the shaping of the County's CDBG-DR program design as well as the completion of this Action Plan.

## Consultation with Stakeholder Organizations

In addition to feedback from various County departments & divisions, County Council and County residents, staff also met with a variety of stakeholder organizations to glean information about their clients needs and their feedback related to the County's plan for the CDBG-DR program. The County of Lexington, in partnership with Richland County hosted two stakeholder roundtables the first of which was held on Monday July 18th at the offices of the United Way of the Midlands in Columbia. Attendees at this meeting included a variety of VOADs already working in the area, as well as representatives from the Untied Way of the Midlands. The second meeting was held on Tuesday July 19th at the Greater Columbia Community Relations Council offices in Columbia. Attendees at this meeting included Civil Organizations, Non-profits as well as Richland and Lexington school districts.

A third stakeholder meeting was held in partnership with both counties and the City of Columbia on Friday July 22nd at the offices of the Columbia Housing Authority. Attendees included representatives from the Columbia Housing Authority, which also administers the Cayce Housing Authority as well as representatives from Midlands Area Continuum for the Homeless commonly known as MACH. These organizations provided feedback about the previously-existing need for affordable housing options across the region.

DRAFT

## Planning & Coordination

Effective communication between and within departments is a major focus of the County of Lexington on all projects, operations and efforts. In addition to normal telephone and e-mail correspondence, the County Administrator holds a weekly Department Head/Senior Staff meeting during which he discusses important activities of the County and attendees are required to provide updates to major activities occurring in their department(s).

Additionally, specific to CDBG-DR, the proposed Organization Structure for the County of Lexington CDBG-DR team includes a "Program Review Committee". This committee is appointed by and answers to the County Administrator and will be chaired by the Director of Community Development. The membership of the committee will consist of Department Heads and/or Senior Staff and/or team leaders from the Finance Department, the Procurement Department, Public Safety (Emergency Management), County Sheriff's Department, Human Resources, Planning & GIS/Mapping, Community Development (Zoning Management, Landscape & Open Space Management, Building Inspections & Safety) and any other departments the County Administrator feels need to have a part in monitoring/reviewing the workings of the CDBG-DR program(s). This committee will meet on a regular schedule (as yet the exact schedule has not been determined) and as needed for specific issues. This committee will also serve an outlet for citizens to appeal decisions of the program staff when needed.

We understand that, while the needs for each of the many jurisdictions impacted by the 2015 storm event are different and the make-up of the CDBG-DR program(s) for each jurisdiction will be varied, it is still very important that we be a part of a regional response to issues when possible. To this end, we will continue to meet with representatives of the other local jurisdictions and the state to discuss specific issues, especially those issues which may be common among the group. Additionally, we have created an e-mail list of interested persons and organizations that we will use to share information and to receive comments and other information. Information regarding scheduled events such as community meetings will be shared with other local governments, state agencies, school districts, non-profits and any other groups requesting to be provided this information.

DRAFT

## Allocation of Funds

Program: **Disaster Recovery Program Planning**

Description: Funds will be utilized to develop the Implementation Plan and Action Plan as well as plan for the housing and infrastructure programs.

Funding Allocated: The County has allocated $250,000 or 1.5% of total allocation for disaster recovery related planning efforts.

Basis for Allocation: CDBG-DR regulations allow for up to 15% of the total grant allocation to be used for planning related expenses. However, the County does not anticipate needing the maximum allowable allocation for planning purposes.

Outcome Measure: HUD approved Implementation Plan and Action Plan as well as adequate planning measures for the housing and infrastructure programs.

Program: **Disaster Recovery Program Administration**

Description: Funds will be utilized, by the County, to administer the CDBG-DR program throughout the duration of the program (expected to be three years).

Funding Allocated: The County has allocated $630,000 or 3.9% of total allocation for the administration of these disaster recovery programs.

Basis for Allocation: CDBG-DR regulations allow for up to 5% of the total grant allocation to be used for administrative related expenses. However, the County does not anticipate needing the maximum allowable allocation for administrative purposes.

Outcome Measure: Successful management of the CDBG-DR programs which will serve the maximum number of residents possible while maintaining adequate program controls as required within the HUD regulations.

DRAFT

Program: **Public Infrastructure Improvements**

Description: Funds will be utilized to repair and/or build improved infrastructure facilities within the impacted low-to-moderate-income (LMI) areas in the County.

Funding Allocated: The County has allocated $3,000,000 or 18.% of total allocation for infrastructure improvements within the impacted LMI areas.

Basis for Allocation: The Challedon neighborhood, described above, is the only LMI area that experienced significant flood impact. Buy-outs are the highest priority in this community followed by infrastructure improvements to serve the remaining homes as well as homes downstream.

Outcome Measure: Improved infrastructure capacity, specifically storm water controls, serving the Challedon neighborhood and the surrounding community.

Program: **Housing Buy-outs**

Description: Funds will be utilized to purchase homes in the flood prone areas. Once purchased, the County will demolish the housing structures, clear the lot and either make the property green space or utilize the property for future flood mitigation infrastructure capacity.

Funding Allocated: The County has allocated $10,000,000 or 61.2% of total allocation for home buy-outs.

Basis for Allocation: Through the unmet needs analysis and the citizen participation process, it was determined that a well funded buy-out program would provide for the greatest reduction in future risk to life and property.

Outcome Measure: The County anticipated being able to utilize CDBG-DR funds as well as additional funding through the HMGP program to provide for 65 residential buy-outs within the most flood vulnerable neighborhoods.

DRAFT

Program: **Owner Occupied Housing Minor Rehabilitation**

Description: Funds will be utilized to provide for minor rehabilitation of owner occupied homes within the County of Lexington.

Funding Allocated: The County has allocated $2,452,000 or 15% of total allocation towards housing rehabilitation.

Basis for Allocation: Through the unmet needs analysis and the citizen participation efforts, the need for housing rehabilitation for storm damaged homes remains prevalent throughout the County.

Outcome Measure: The County anticipates being able to provide for the minor rehabilitation of roughly 70 households across the County.

National Objective: These activities shall meet either the Low-to-Moderate Income Housing (LMH) or the Urgent Need (URG) for households that do not meet the LMH criteria.

DRAFT

## Detailed Description of Programs & Activities

### Planning

Since the announcement of the PL114-113, the CDBG DR congressional appropriation to address unmet needs in South Carolina and Texas, the County of Lexington has employed a consultant to assist in the planning stages of this program. It is our intention to continue to utilize this consultant on an as needed basis once this action plan in approved. Additionally, we will employee contractors to manage the following program functions as part of the project delivery for these programs:

- Client Intake and Certifications
- Environmental Review
- Minor Residential Rehabilitation
- Residential Home Buy-outs

The length of time these contractors are included in the program will be dependent on the success of the program and the availability of the funds supporting the program. The County has allocated a total of $250,000 in DR funds for planning efforts associated with the recovery; this includes an estimated $92,000 in pre-award expenses that the County will incur prior to executing a written agreement with HUD.

### Administration

This function of the CDBG DR effort will support the efforts of the other programs in the areas of financial management, procurement, information management and quality assurance and technical assistance. The County of Lexington intends to hire a CDBG DR Administrator, as a temporary grant-funded employee, to serve as the leader of the day-to-day activities of the administrative team. This person will serve to coordinate the activities of the contractor's that will be hired to manage the activities of the individual programs. Additionally, we have and will employee a consulting company to manage a staff whose primary functions will be to provide Technical Assistance to the county and to other contractors and to assist in the Quality Assurance function as relates to gathering and storing accurate, appropriate documentation of the overall program and the individual programs. The Quality Assurance/Technical Assistance team leader and the CDBG DR Administrator will work closely in seeing that all CDBG DR rules and regulations, as well as spending and procurement activity is accomplished according to appropriate standards.
Both the CDBG DR Administrator and the Quality Assurance/Technical Assistance team leader will answer directly to the County of Lexington Community Development Director. The Community Development Director will remain the chief administrator for the Disaster Recovery Effort.

The county also intends to hire a temporary grant-funded employee with qualifications as a Project Manager/Inspector (PM/I). This inspector will also be expected to have or gain knowledge of housing demolition and property reclamation to assist with the Home Buy-out Program. This person will provide guidance in the areas of Project Work Write-up and estimating and will also conduct spot inspections of the work being completed. Although the CDBG DR Administrator will supervise and coordinate the activities of the Project

DRAFT

Manager/Inspector, the Community Development Director will interact with the PM/I on a regular basis.

It is expected that both the CDBG DR Administrator and the Project Manager/Inspector will be employed for the duration of the CDBG DR effort. It is believed the length of this effort will be for a period of 24 – 36 months.

The County has allocated a total of $630,000 in DR funds for administration of the disaster recovery programs; this includes an estimated $30,000 in pre-award expenses that the County will incur prior to executing a written agreement with HUD.

### Infrastructure

The County has identified well over $20,000,000 in unmet infrastructure needs. However, the County has decided to utilize these very limited funds to primarily serve households directly. Only $3,000,000 of the CDBG-DR allocation will be utilized to make infrastructure repairs and improvements. Specific projects have not been identified at this time, however, it is likely that these improvements will be made within the Challedon neighborhood in an effort to mitigate against future flooding events. These funds will serve to meet a the LMA national objective serving a primarily low-to-moderate income area, as defined by HUD.

DRAFT

### Housing Buy-outs

The storm event of October 2015 impacted some of the most vulnerable neighborhoods in the County. As described in the unmet needs assessment above, five neighborhoods have been identified as *Disaster Risk Reduction Areas.* These areas have experienced, and continue to experience hardships related to heavy storm impacts. Therefore, the County has allocated $10,000,000 in funding towards the purchase of homes in the most flood prone areas of the County. Unfortunately, not all homes can be purchased and many households will continue to suffer from flood events. Due to the limited funding available at this time, the County, with assistance from the County Floodplain Manager, has developed a *Flood Vulnerability Index (FVI)* in an effort to prioritize the most vulnerable households in the County. The FVI utilizes five basic factors to calculate a households overall flood vulnerability. These five factors are described in more detail below:

Vulnerability Factor #1: Height

The height factor is the most heavily weighted item with a possible score of 25. The biggest component in determining the vulnerability of a home is based on the elevation of the lowest finished floor compared to the base flood elevation. Height is also the key determining factor for flood insurance premiums. The scoring used in the calculations indicate the finished floor height below the base flood elevation. A score of 0 would indicate the height of the finished floor is above the base flood elevation. The following table illustrates the scale that determines the score for this factor.

| FF Height below base flood elevation | Score |
|---|---|
| 0 | 0 |
| 0 - .49 | 2 |
| .5 – 0.99 | 4 |
| 1.0 – 1.49 | 6 |
| 1.5 – 1.99 | 8 |
| 2.0 – 3.99 | 10 |
| 4.0 – 5.99 | 15 |
| 6.0 – 8.0 | 20 |
| > 8 | 25 |

Vulnerability Factor #2: Floodway Location

The second most heavily weighted factor is the floodway scale. Homes designated within the floodway are also at significant risk for damage during future flood events. In the proposed flood vulnerability index, the floodway factor is a binary scale of 0 or 10, and makes up about one quarter of the composite vulnerability score. The following table illustrates scoring for the floodway factor.

| Floodway Designation | Score |
|---|---|
| No (False) | 0 |
| Yes (True) | 10 |

DRAFT

Vulnerability Factor #3: Percent Damage in October 2015 Storm

Past flood insurance claims and the October 2015 Lexington County Flood event make up the final two pieces of the index. The home's percent damage from the 2015 storm is on a scale from 0 to 6 with homes over 50% damaged receiving the highest score. The following table displays the scoring for the percent damage factor from the October 2015 storm event.

| % Damage in October Flood | Score |
|---|---|
| 0% | 0 |
| 1-10% | 1 |
| 11-20% | 2 |
| 21-30% | 3 |
| 31-40% | 4 |
| 41-50% | 5 |
| > 50% | 6 |

Vulnerability Factor #4: Past Insurance Claims

Past insurance claims are scored based simply on a 1:1 ratio. The following table indicates scoring for the past flood claims factor.

| # of Past Claims | Score |
|---|---|
| 0 | 0 |
| 1 | 1 |
| 2 | 2 |
| 3 | 3 |

Vulnerability Factor #5: Household Income

Household Income is the final factor in determining future Flood Vulnerability. Households with lower incomes are assumed to be at higher risk for future flood impacts and are therefore weighted more heavily than high income households. The following table indicates scoring for the household income factor.

| Household Income as a % of Area Median Income (AMI) | Score |
|---|---|
| 0 – 30% AMI | 10 |
| 31 – 50% AMI | 8 |
| 51 – 80% AMI | 6 |
| 81 – 100% | 4 |
| 101% - 120% | 2 |
| 121% or greater | 0 |

DRAFT

Once households have been identified for buy-outs, the County and its program managers will work with residents to determine their eligible buy-out purchase amount. This will start with the pre-storm fair market value. Once the pre-storm fair market value has been determined, the County will deduct any previous assistance the applicant may have received, this is known as a duplication of benefits and is described in more detail later in this Action Plan. Once the duplication of benefits determination has been made, the County will make an offer to buy-out, or purchase, the home from the current owners. Sale of the property is completely voluntary and the County may not use Eminent Domain to acquire any property as part of the CDBG-DR program. In addition to the purchase price for the home, all homeowners will be provided with an additional $5,000 in moving expenses. If the home is occupied by renters or was occupied by renters, the $5,000 in moving expenses will be provided directly to the renter household in an effort to mitigate displacement of the renters.

Furthermore, those households that complete a buy-out transaction will be offered an additional $10,000 towards the purchase of a new home, within Lexington County. This home must have been purchased no earlier than October 5th, 2015 up to six months after the date of the buy-out transaction.

### Minor Owner Occupied Housing Rehabilitation

The County recognizes that while there may be a lower unmet need for housing rehabilitation, compared to both infrastructure and buy-out assistance, there are many homeowners who simply need assistance with remaining repair needs. These homes are not considered substantially damage and thus will not require significant funding nor will elevation be required. The minor rehabilitation program will be open to homeowners across the county that experienced storm impacts and have a remaining unmet need as defined by P.L. 114-113. The County will provide rehabilitation assistance up to 49% of the value of the home not to exceed $45,000 in hard costs associated with the rehabilitation.

DRAFT

## Duplication of Benefits

Federal law prohibits any person, business concern, or other entity from receiving Federal funds for any part of such loss as to which he/she has already received financial assistance under any other program, private insurance, charitable assistance or any other source. Such duplicative funding is called Duplication of Benefit (DOB). This prohibition laid out in the Robert T. Stafford Act (Stafford Act), as amended, is a significant added layer of regulation not found within the County's entitlement CDBG program. This is a new regulation with which the County will comply for its CDBG-DR grant.

Pursuant to the Stafford Act, the County will establish and follow policies and procedures to uphold the safeguard against DOB within its program guidelines for each eligible activity. Understanding that prevention of DOB is especially critical in the context of housing programs and in anticipation that some form of housing assistance will be identified to fulfill unmet disaster recovery needs at the conclusion of the County's Action Plan development process, the County has established a framework for identifying potentially duplicative sources of funds and reducing documented duplications from potential project awards prior to any award actually being made.

During the application period and eligibility determination, a case manager will document all sources of funds received or approved from private insurance, SBA, FEMA and / or volunteer organizations (including in kind assistance) used for the same purpose that the CDBG-DR award will be intended. Once all sources have been identified and after determining an applicant's remaining unmet recovery need, any sources of funds previously received for the same recovery need will be deducted except where those funds were spent on activities that are excludable per Stafford Act and HUD guidance, sometimes known or referred to as Allowable Activities. Allowable Activities will not result in a reduction of the final award. Additionally, per the Federal Register Notice and longstanding HUD guidance, forced mortgage payoffs will not be considered duplicative as those funds were never available to the applicant.

We understand that applicant benefits from FEMA, SBA, and insurance can be a moving target with additional funds received much later than initial payouts or due to appeals and litigation. Further, all funding sources may not be known at the time of application. Therefore, the County of Lexington will continuously monitor program applicants and perform its due diligence to verify benefits that may have been secured from FEMA, SBA, private insurers, charitable contributions and any other available financial assistance after the date of application. Late or additional benefits from other sources can also result in a change the outcome of the award amount for which an applicant is ultimately eligible and applicant awards may have to be adjusted as new sources are identified to prevent DOB and minimize recapture.

DRAFT

The County is in the process of securing FEMA and SBA data that it will use as a part of its DOB analysis and is working to put agreements in place to obtain updated data feeds. Further, the County has already established relationships with volunteer organizations that have provided assistance to disaster affected citizens. The County will work to leverage these relationships and applicant release forms to obtain additional DOB data from philanthropic sources.

As a part of its case management process, the County will require applicants to execute an Application for Assistance, which will include:

- Income Certification,
- Insurance Certification,
- Philanthropic Release of Information and
- Subrogation Agreement,

These documents will become part of each applicant's record. Furthermore, these documents will hold each applicant accountable to the accuracy of information provided and also give the County recourse if it is determined at a later time that applicants received other financial assistance that was not identified at the time of application. If a duplication of benefit arises within the term of the applicant benefit delivery and compliance/monitoring period, the County of Lexington will adhere to the guidelines set forth in OMB Circular A-87 and the Stafford Act (chapter 37 of title 31) for the recapture of funds. Beneficiaries of CDBG-DR program funds will be informed of fund recapture in an agreement executed with the County if it is determined that a DOB exists. The County of Lexington Department of Community Development will bear responsibility for ensuring compliance with DOB regulatory requirements at the eligibility stage and for monitoring latent additional funding sources.

DRAFT

## Other CDBG-DR Requirements

### Uses of Urgent Need

The use of all CDBG-DR funds, other than Planning & Administrative funds, must meet a National Objective as described by CDBG regulations and P.L. 114-113. In general, funds must primarily go towards serving low-to-moderate income households either through a direct benefit or an area benefit (described in more detail later in this Action Plan). However, in some cases, households receiving CDBG-DR assistance will not be low-to-moderate income nor will meet the criteria for the area benefit. In such case, the County will utilize funds to serve these households under the Urgent Need national objective as defined by CDBG regulations. All activities funded under the Urgent Need national objective must serve households that have direct impact from the October 2015 storms as well as a remaining unmet need. The use of this national objective classification will be limited to the homeowner rehabilitation program and the buy-out program. Furthermore, no more than $4,000,000 will be utilized, across all programs, to serve Urgent Need households.

### Leveraging Funds

The County will leverage its CDBG-DR funds with other federal and non-federal funding sources to maximize the impact of disaster relief monies and prevent duplication of benefits. The County has programmed CDBG-DR funds to address funding needs not satisfied by other funding sources such as FEMA Individual Assistance grants, SBA Disaster Loans and private insurance. The County also plans to leverage its CDBG-DR dollars with funding from the FEMA Public Assistance and Hazard Mitigation Grant Programs. CDBG-DR funds will complement, not supplant, these resources.

In addition, through an ongoing focus toward developing and strengthening public-private partnerships with corporations, foundations, nonprofits, and other stakeholders, the County will assist and integrate efforts of organizations active in the recovery.

### Timely Expenditure of the Funds

Per Federal Register Notice 5938-N-01, CDBG-DR funds must be expended within a six (6) year time frame beginning on the date the grant agreement is signed by HUD. However, we understand that HUD will periodically review the County's progress in drawing down funding from its Line of Credit (LOC). The County of Lexington will review in-house expenditures and beneficiary expenditures to ensure that funds are spent on eligible costs and in a timely manner. Project funds and schedules will be monitored by The County of Lexington's Finance Department, the Department of Community Development, the County's planning and management consultant(s) and ultimately audited through the County's independent audit function.

As the County of Lexington is an entitlement community, County staff members already have experience with monitoring the expenditure rate of its annual CDBG allocation. (The County's CDBG Policies & Procedures are provided as an appendix to this document.) With the County's current allocation of CDBG funds, The County of Lexington's Department of Community Development maintains detailed spreadsheets monitoring the expenditure of

DRAFT

funds and project schedules. Considering that the CDBG-DR grant to the County is more significantly than the usual annual allocation, the County will adapt and enhance its current processes by establishing standard tracking mechanisms, processes and templates to ensure consistency and continuity among program activities. The County of Lexington will also maximize its use of technology to support and augment any standard processes instituted to ensure timely expenditure of funds.

The County of Lexington will hold all contractors accountable through the establishment of benchmarks and other critical milestones. Contractors will be required to provide detailed reports concerning expenditure of funds and project progress to the County upon its request. Frequency of reporting will be established on a per project basis given the potential varied nature of eligible activities that the County may choose. It is expected that the County will require contractors to provide monthly reports; however, due to the varying nature of each project, specific projects may be asked to provide those project updates more frequently.

The County expects, at this time, that it will administer all CDBG-DR programs and will use contractor augmentation to execute implementation. When contracting with vendors or other recipients, the County will establish certain benchmarks that must be achieved prior to the release of funding. As a part of its contractual obligations to the County, contractors will be required to present the County with a plan on how they will implement procedures to reach the determined benchmarks. Each contract with contractors will require that penalties be implemented for failure to reach benchmarks. In addition to ensuring that contractors are meeting project timelines, these benchmarks will allow the County to project expenditures for each individual project.

### Low to Moderate Income (LMI) Households Set-Aside

P.L. 114-113, following standard CDBG regulations, requires that no less than 70% of the Disaster Recovery funding go towards serving low-to-moderate income households. Funding is said to meet this requirement by either serving low-to-moderate income households directly, through one of the two housing programs described above, or by providing an area benefit in a HUD defined low-to-moderate income area – an example would be improvements to water and sewer systems in an LMI Area. HUD defines an LMI area as a census area where 51% or more of the households in the area have incomes at or below 80% of the County's Median Income. The only area in the County, with significant storm impact, that meets the LMI Area definition is the Challedon neighborhood.

### Timely information on application status

Effective communication is paramount to the successful delivery of complex public programs, particularly in the wake of a disaster. The County of Lexington will, at a minimum, engage in a two-tiered applicant communication strategy, with larger program-wide information being made available on the County's disaster recovery website and proactive case management to move applicants along within program processes, notifying applicants of status at each critical juncture.

DRAFT

The County of Lexington believes that an effective and comprehensive communications strategy will better allow community access to create a culture of personal resilience and sustainability. The County has been proactive in engaging the community and keeping them informed of disaster recovery efforts transpiring within the community in an effort to create this culture, using the disaster recovery website as a clearinghouse of resources for community stakeholders. The County intends to maintain this website as the central repository of information to connect citizens to resources available from the CDBG-DR program activities we undertake.

The County understands that a lack of information about program resources, progress, filed claims, and applications for assistance can exacerbate frustration from potential program beneficiaries. Further, the processes required to deliver benefits, particularly in housing related activities, are multi-step complex processes that require extensive documentation. The incremental steps within a program require time, and often patience. To mitigate the anxiety of applicants and keep them apprised of application progress, The County of Lexington will need to institute systems that allow for real-time status updates to applicants upon request. Although the County will not know the volume of case management needed until the conclusion of the Unmet Needs Assessment and Action Plan development, we anticipate instituting the following status update options:

- Providing direct access to an applicant's designated case manager
- Monitor case manager caseloads and adjust as necessary to keep caseloads at reasonable levels that will ensure frequent applicant contact
- Sending electronic status notifications after critical milestones have been achieved as well as outlining next steps
- Sending printed status updates to applicants who do not have access to electronic media
- Face-to-face consultations with case managers
- After-hours voicemail systems monitored daily and instituting a policy of return calls within 24-hours of voicemail receipt
- Case manager email contact information provided to applicants

### Appeals Process

The County will institute both a complaint and an appeals process to address citizen concerns and applicant grievances. Applicants will be notified, in writing, of their opportunity to appeal decisions and the process for appealing at the application stage of the process. They will be reminded of their right to appeal through details provided on all program status notifications. Information about the appeals process will also be posted to the County's disaster recovery website.

All complaints and/or grievances will be submitted in writing to the CDBG DR Administrator. The administrator will review the complaint and make every effort to solve the issue in such a way as to meet the needs of the citizen as well as the County and the CDBG DR program. If a solution cannot be reached, the administrator will forward the issue to the Community Development Director. The Director, with assistance from the

DRAFT

Quality Assurance team will review the complaint in an effort to mediate the issue to an acceptable resolution. Every effort will be made to reach this point of the process within five (5) business days.

If no resolution is found, the Director will convene the Disaster Recovery Technical Review / Appeals Committee. A member of the Quality Assurance team will present all information regarding the issue and the applicant making the complaint will be given the opportunity to present additional pertinent information and/or documentation to support their position. The committee will take the matter into consideration and applicants will receive a written notification of the committee's findings within five (5) business days. At each stage of this process, every appropriate effort will be made to reach a resolution that meets the needs of the applicant, the County and CDBG Disaster Recovery governing laws. If resolution is not reached, the applicant will be given an option to continue in the program based on the original decision or to opt out of the program. In any case, the decision of the Disaster Recovery Technical Review / Appeals Committee will be final.

The Technical Review / Appeals Committee will consist of the following Lexington County Staff:

1. Deputy Finance Director
2. Procurement Manager
3. Public Works Director
4. Emergency Management Director
5. Chief Building Official
6. Flood Plain Manager
7. County Assessor

The Community Development Director will serve as Chair of this Committee but will be a non-voting member. As chair, the director may contribute general information as to the program policies and procedures and/or the HUD guidelines and regulations. The chair will not provide information specific to the issue before the committee.

The committee meeting will adhere to appropriate county meeting regulations as determined by the County Council and monitored by the Clerk to Council. Minutes for all meetings will be kept and distributed to all members of the committee. Approval of the minutes by the membership shall occur either at the next meeting of the committee, or when appropriate by documented e-mail vote.

DRAFT

## Monitoring Standards & Reporting Requirements

At the County of Lexington, we have a monitoring process which includes several layers of approvals before funds are expended, in essence, allowing us to "monitor" the use of funds on an individual basis. This process includes multi-level review of the use of funds. These reviews occur throughout the organization, from the front-line contractor(s) up through the Community Development Director (CDD), the procurement office and ultimately by the County's Chief Financial Officer (CFO). The CDD and the CFO each answers directly to the County Administrator. At each level of the process, there is an evaluation made to determine that the use of funds is legitimate and in keeping with the requirements of the governing policies, procedures, rules, regulations, ordinances and laws. If any other determination is reached, the use of funds is delayed until further information is obtained. If the additional information does not result in a positive determination, the use of funds for that purpose will not be allowed.

### Disaster Recovery Grants Reporting Database (DRGR)

For disaster recovery programs, HUD utilizes a specific online database system, Disaster Recovery Grants Reporting Database, more commonly referred to as DRGR. Use of this system is required by all CDBG-DR grantees.

### Quarterly Performance Reports (QPRs)

Within DRGR, all grantees are required to produce Quarterly Performance Reports or QPRs. QPRs are due 30 days after the end of each calendar year quarter. Once approved by HUD, the County will publish all QPRs on its CDBG-DR website.

A quarterly performance report (QPR) will be submitted to HUD no later than 30 days following the end of each quarter after grant award and continuing until all funds have been expended and all expenditures have been reported. No less than three (3) days prior to submitting to HUD, the County will post the QPR to the website for public comment. In addition to these required reports, the County will also post its procurement policies, executed CDBG-DR contracts as well as the status of services or goods currently being procured by the County.

### Program Income Reporting & Tracking

P.L. 1114-113 provides the definition of Program Income as "gross income generated from the use of CDBG-DR funds and received by the Unit of General Local Government (UGLG) " examples of program income include, but certainly are not limited to the following a) proceeds from the disposition by sale or lease of real property purchased or improved with CDBG-DR funds, b) proceeds from the disposition of equipment purchased with CDBG-DR funds, c) net income from the use of rental property owned by the ULGG. Based on the definitions provided in P.L. 114-113 and the County's current Action Plan, the County does not anticipate generating any program income. However, should program income be generated, the County will track the receipts within the County's financial records as well as report the receipts to HUD via the DRGR database as required in the regulations. All Program Income received prior to grant closeout shall be utilized for additional eligible CDBG-DR activities. Any program income remaining after the CDBG-DR program closeout will be transferred into the County's regular CDBG program.

DRAFT

## Disaster Recovery Program Website

The County of Lexington has created a website to keep the public informed about flood recovery activity and resources. The website will be maintained by the County's Public Information Office. It will be accessible through the County's main page of the County Government website. The County will maintain this website throughout the full recovery period. It will serve as the primary repository of information for the County's disaster recovery actions and resources and will contain links to all action plans, action plan amendments, quarterly performance reports (QPRs), citizen participation plan, procurement policies, procurement notices/advertisements, notices of public meetings, executed contracts, activity/program information for activities described in the action plan and other information relevant to the CDBG-DR program funds. Updates to the dedicated disaster recovery website will be made in conjunction with any new activity associated with the CDBG-DR program action plan and funds. Constituents will be able to lodge complaints via an email link on the website. That email address will be monitored daily. The County will respond promptly within fifteen (15) days of receipt of each complaint. The Assistant Program Manager of CDBG-DR will monitor the email address, log all complaints and coordinate to provide the response.

All documents will be made available in a language other than English upon request.

## Program Auditor

At the County of Lexington, we have a monitoring process which includes several layers of approvals before funds are expended, in essence, allowing us to "monitor" the use of funds on an individual basis. This process includes multi-level review of the use of funds. These reviews occur throughout the organization, from the front-line contractor(s) up through the Community Development Director (CDD), the procurement office and ultimately by the County's Chief Financial Officer (CFO). The CDD and the CFO each answers directly to the County Administrator. At each level of the process, there is an evaluation made to determine that the use of funds is legitimate and in keeping with the requirements of the governing policies, procedures, rules, regulations, ordinances and laws. If any other determination is reached, the use of funds is delayed until further information is obtained. If the additional information does not result in a positive determination, the use of funds for that purpose will not be allowed. To the extent necessary, the County of Lexington Chief Financial Officer shall serve as an Internal Auditor for this program. The Chief Financial Officer reports directly to the County Administrator. Administrator reports directly to the nine-member elected council.

Additionally, the county contracts through an open procurement process with a reputable, responsible auditing firm to perform annual external audits. The annual external audit is presented to the elected council at a designated public council meeting. Public notification of that meeting follows the governing laws of the State of South Carolina and County of Lexington Ordinance.

DRAFT