

**THE CITY OF KEY WEST**  
**SMALL CITIES**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**HOUSING ASSISTANCE PLAN**

The City of Key West as required by the Small Cities Community Development Block Grant Program – Housing Category adopts the following policy for selecting potential beneficiaries and housing units for the proposed housing assistance to be provided. The Housing Assistance Plan addresses the following issues:

1. All funds awarded will be a Grant to the beneficiary and housing unit.
2. The process for soliciting applicants will be by local newspaper advertisement (minimum two advertisements). The initial application period shall be for thirty (30) calendar days. Any applicable subsequent application periods shall also be for thirty (30) calendar days.
3. Priority criteria for selection of available funding shall be:
  - a. Maintain safe, decent and sanitary housing of publicly owned existing rental housing for very low and low-income households under local, state and federal housing programs.
  - b. Privately owned homes whose primary residents are very low and low-income households being assisted or to be assisted by local, state and federal housing programs.
  - c. Privately owned existing rental housing for very low and low-income households under local, state and federal housing programs.
  - d. Elderly and handicapped shall have preference where applicable.

1. Elderly	10 points
2. Handicapped	10 points
3. Families with more than 2 children under the age of 18.	10 points
4. Single Head of Household (2 or more persons)	5 points
5. House located within Community Redevelopment Area	5 points

6. Health and Safety Code Violations	10 points
7. Very low income household	5 points
8. HQS requires participation in MRLF and/or SHIP	10 points
9. Length of ownership of house 0-5 yrs. = 0 pts; 6-10 yrs. = 2 pts. 11-15 yrs. = 3 pts; 16+ yrs. = 5 pts.	5 points max

4. Conflicts of Interest will be addressed pursuant to 24 C.F.R. Section 570.489 and Chapter 112.311-112.3143, F.S. timely by immediate identification of potential conflicts.

Beneficiaries will be acknowledged by name and address in the minutes of Citizen's Advisory Task Force. Additionally, recommended beneficiaries per selection criteria/scoring process will be presented to the City Commission for review and approval by city resolution so that previously unknown conflicts may be surfaced. Any known conflicts will be acknowledged publicly along with the final ranking of the selected beneficiaries in accordance with the Housing Assistance Plan. If required, waivers of conflicts may be requested of the Department of Economic Opportunity Community Affairs (DEO).

5. Each selected housing unit shall have a U.S. Department of Housing and Urban Development Section 8 Housing Quality Standards (HQS) inspection to determine any required rehabilitation to meet the federal minimum housing quality standards, applicable local housing codes, and other significant repair to meet safe, decent, and sanitary housing conditions. Preliminary costs estimates shall be provided with the HQS inspection. The HQS inspections and cost estimates shall be prepared by the City of Key West as the CDBG grant applicant through the Community Development Office.

6. The maximum amount of CDBG funds that may be expended on any one housing unit is \$63,750. This amount may be exceeded only by a recorded vote of the City Commission of the City of Key West.

7. In accordance with the criteria selection in the maintaining of publicly owned and federally assisted rental housing units shall be a priority of CDBG funding. Other privately owned rental units that receive state and/or federal funding funds shall also be eligible. The form of CDBG rehabilitation funding shall be a direct grant to the owners of the qualified rental units. Ownership of rental property and participation in state and/or federally funded programs shall be verified by the Community Development Office. Written affidavits shall be executed by the rental property owners to insure that after rehabilitation tenants will not be charged more than affordable rents pursuant to 24 C.F.R. Section 570.483 (b)(3). Validated violation of the affidavit shall restrict any future participation in affordable housing programs sponsored through the City of Key West.

8. The City of Key West will assist in the rehabilitation of mobile homes, modular homes or other forms of manufactured housing subject to paragraph 9 below when said units meet all other priority criteria and established assistance amount is sufficient to bring the units into compliance

with Housing Quality Standards and City Building Code, only after all other applications have been reviewed and processed for eligibility consideration.

9. The City of Key West will not provide assistance to beneficiaries for those houses which are unfeasible to repair by CDBG regulations. Additionally, the City of Key West will not provide assistance for those homes (excluding land) where the post-rehabilitation value is less than the cost of the rehabilitation. It should be noted that due to the extremely high Median Housing Values in Monroe County (the City of Key West) this is an unlikely situation.

10. Any previously selected housing unit that is to be deleted from the housing rehabilitation program shall receive written notification by certified mail, return receipt requested.

11. Flood Insurance will be required in the amount of CDBG funds expended and insurable and such coverage must be maintained until the program administrative closeout. This coverage will be included in the cost of the rehabilitation since it is an eligible CDBG expense. The minimum CDBG insurance requirement does not in any way reduce or change any other property insurance requirements to maintain flood, windstorm or multi peril insurance coverage (example: insurance requirements under first or second mortgage financing).

12. The City of Key West through the Community Development Office shall conduct a final inspection of work completed under the CDBG and other authorized funding rehabilitation funding sources to insure satisfactory completion of the scope of work and post construction compliance with HQS requirements. These inspections are independent of the city's building permit inspection process. All CDBG rehabilitation work is subject to the City's building permitting and inspection process.

13. The City through the Community Development Office will validate homeownership and primary residence by obtaining an errors and omissions report from a licensed title company and verification of homestead exemption through the Monroe County Tax Appraisers Office.

14. The City through the CDBG Program does not have any plans to declare a housing structure be demolished or through its action be converted to a non-LMI structure. Any demolition and replacement of housing structure for an LMI owner shall require a specific city resolution and an amendment to this HAP.

15. All construction work to be completed under the CDBG Housing Program shall either be accomplished by force account through an inter-local government agreement or through the competitive bid process. For the purpose of CDBG construction funds the bid process shall be through the procurement policy of the Key West Housing Authority and in compliance with Florida Statute and Rule 73C-23. All construction contracts shall be between the selected contractor and the property owner.

- a. Bids for rehabilitation or reconstruction of housing units must specify that they shall only be accepted from contractors licensed by the State of Florida, Department of Business and Professional Regulation.
- b. The contractor must agree in his bid that any change orders for rehabilitation or reconstruction of housing units which cumulatively exceed one thousand dollars (\$1,000) above the original contract amount, shall be paid with CDBG funds if

those change orders are to correct documented code violations based on a bonafide code violation report or to meet Section 8 Housing Quality Standards.

- c. The contractor must agree in this bid and contract that all change orders for housing rehabilitation or reconstruction shall be approved by the housing unit owner or his or her representative and the contractor and representative of the local government prior to any initiation of additional work based on that change order.

16. The City of Key West through the Community Development Office shall (where applicable) provide the building department, code enforcement, planning and licensing departments a copy of the proposed scope of work, property address and owner's name as pertains to any outstanding bills/liens and other appropriate local codes (i.e., nuisance, trash, and other environmental or health codes).

17. Any housing unit more than 50 years old that is scheduled for CDGB housing rehabilitation shall be processed through the Bureau of Historic Preservation, Secretary of State, State of Florida in accordance with required state and federal guidelines. Any housing unit in the Historic District of the City of Key West shall be processed through the local Historic Architectural Review Commission.

The City of Key West through the Community Development Office shall physically inspect the participating housing units for lead-based paint abatement during the HQS inspection specific to pre-1978 homes. Based on the inspection, CDBG program lead based paint abatement requirements will be implemented.

All housing structures to be addressed will be contained in the 100-year Flood Plan. The City of Key West will follow applicable FEMA requirements when addressing any housing units.

The City's Community Development Office will document the completion of construction by ensuring that each housing unit case file shall contain the following information:

- a. A statement from the contractor that all items on the initial work write-up as modified through change orders have been completed;
- b. An acknowledgement that the housing unit meets the applicable local code and Section 8 Housing Quality Standards, signed and dated by the local building inspector or the local government's housing rehabilitation specialist;
- c. A signed statement by the housing unit owner or his or her representative that the work has been completed based on the work write-up and change orders. Should all requirements be fulfilled and the homeowner or their representative refuse to acknowledge completion of the work, the housing unit case file shall be documented with a statement detailing the stated reason for said refusal; and
- d. This document shall be completed prior to the submission of the administrative closeout package and shall accompany the administrative closeout package when submitted to the Department.

- e. The following data will be provided by housing unit and summarized by activity as part of the administrative closeout for each activity providing direct benefit (i.e., housing rehabilitation, temporary relocation, hookups, etc.):
- Address of each housing unit rehabilitated with CDBG funds, the date the construction was completed on the housing unit, and the amount of CDBG funds spent on that housing unit.
  - Whether the household is headed by a female, the number of handicapped persons in the household, the number of elderly persons in the household, and the LMI or VLI status of the household;
    - The number of occupants in the household, categorized by sex; and
    - The racial demographics of the household by number (white, black, Hispanic, Asian/Pacific Islander or American Indian/Alaskan Native.)