2024 Hurricane Helene CDBG-DR Mitigation Set-Aside Policy and Procedure Manual

Effective 07/10/2026
(Updated 09/14/2026)

8/31/2026	*One-for-One Replacement*	*p.48*	*Added language regarding one-for-one*
9/7/2026	*Minimizing Displacement*	*p. 47*	*Replaced paragraph to include compliance with Section 504 of the Rehabilitation Act*
9/7/2026	*Minimizing Displacement*	*p. 92*	*Added link to Universal Notice*
9/7/2026	*Planning & Development for Relocation*	*p. 47*	*Included URA relocation expenses*
9/7/26	*Homeowner Required Documentation*	*p. 34*	*Included options for proof of homeownership*
9/7/26	*Voluntary Buyout Duplication of Benefit*	*p. 46*	*Indicated DOB Worksheet is attached as Appendix 19*
9/7/2026	*Appendix*	*p. 228*	*Added DOB Worksheet as Appendix 19*

MITIGATION SET-ASIDE PROGRAMS

Purpose and Applicability

The following policies and procedures govern the incorporation, documentation, and monitoring of mitigation and resilience measures under the South Carolina Office of Resilience's Hurricane Helene Community Development Block Grant–Disaster Recovery (CDBG-DR) Mitigation Set-Aside Program.

These requirements apply to SCOR, applicants, subrecipients, contractors, and other entities responsible for implementing CDBG-DR-funded Mitigation Set-Aside activities. The requirements are intended to ensure compliance with the U.S. Department of Housing and Urban Development's CDBG-DR Universal Notice, the applicable Allocation Announcement Notice, SCOR's HUD-approved Hurricane Helene CDBG-DR Action Plan, grant and subrecipient agreements, and other applicable federal and state requirements.

The Hurricane Helene Mitigation Set-Aside supports the following program areas:

1. Infrastructure;
2. Voluntary Buyouts;
3. Matching Funds; and
4. Plans and Studies.

Mitigation activities are activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to or loss of property, and suffering and hardship by lessening the impacts of future disasters. The SCOR Mitigation Department will conduct these mitigation activities in the six (6) HUD-identified MID counties.

HUD Most Impacted and Distressed Counties:

1. Aiken
2. Anderson
3. Greenville
4. Greenwood
5. Laurens
6. Spartanburg

Unlike CDBG-DR recovery activities, an activity funded entirely through the Mitigation Set-Aside is not required to demonstrate a direct tie-back to Hurricane Helene. However, each activity must:

1. Meet HUD's definition of a mitigation activity;
2. Address current and future risks identified in SCOR's mitigation needs assessment;
3. Be an eligible CDBG activity under Title I of the Housing and Community Development Act of 1974, as amended, or otherwise eligible pursuant to an applicable waiver or alternative requirement;
4. Meet a CDBG national objective;
5. Comply with the geographic requirements established in SCOR's HUD-approved Action Plan;
6. Be necessary and reasonable; and
7. Be reported in the Disaster Recovery Grant Reporting System as a mitigation, or "MIT," activity, as applicable.

Mitigation and Resilience Requirements

SCOR will ensure that Mitigation Set-Aside investments are planned, designed, constructed, and maintained to reduce current and future natural-hazard risks and withstand chronic stresses and extreme weather events expected over the useful life of the project.

Mitigation measures must be appropriate to the hazards, location, function, useful life, cost, and beneficiaries of the activity. The basis for selecting the mitigation measures must be documented in the application, technical review, project scope, plans and specifications, environmental-review record, funding agreement, monitoring documentation, and project closeout file, as applicable.

For construction, reconstruction, or rehabilitation of residential or nonresidential buildings, mitigation measures must be incorporated as construction standards. Newly constructed infrastructure assisted with CDBG-DR funds must be designed and constructed to withstand the anticipated impacts of extreme weather events.

Risk Assessment and Project Design

Each proposed activity will be evaluated using the following factors:

Mitigation factor	Required evaluation
Risk	The probability, frequency, severity, and anticipated future conditions associated with the hazard or hazards addressed by the project.
Exposure	The people, homes, facilities, infrastructure, services, natural resources, and other assets located within the affected area.
Vulnerability	The physical, operational, social, and economic characteristics that make the affected population, facility, or system susceptible to damage or disruption.
Criticality	The importance of the infrastructure, or service to public health, safety, mobility, emergency response, housing, and community operations.
Consequence	The anticipated effects of project failure or an unmitigated hazard event on people, property, public services, the environment, and the local economy.
Benefit	The measurable reduction in risk, avoided losses, improved service, or increased protection provided by the activity, including benefits to low- and moderate-income persons and communities.
Useful life	The period during which the project is expected to remain operational and provide its intended mitigation benefit.
Feasibility	The technical, environmental, financial, operational, and regulatory feasibility of the proposed mitigation measure.
Operations and maintenance	The resources and actions necessary to operate, inspect, repair, and maintain the project throughout its useful life.

SCOR may require applicants and subrecipients to provide engineering reports, hydrologic and hydraulic models, flood-risk data, benefit-cost analyses, design calculations, maps, surveys, environmental information, maintenance plans, and other documentation necessary to demonstrate the suitability and effectiveness of the proposed activity.

Mitigation Measures and Strategies

Eligible mitigation measures may include, but are not limited to:

- Construction, reconstruction, rehabilitation, retrofit, or expansion of stormwater infrastructure;
- Installation or enlargement of culverts, drainage systems, detention or retention facilities, and other flood-reduction infrastructure;
- Restoration or enhancement of floodplains, wetlands, streams, riparian buffers, and other natural systems;
- Green infrastructure and nature-based solutions;
- Voluntary buyout of residential properties located in high-risk areas;
- Watershed planning, hazard-mitigation planning, engineering, project scoping, modeling, surveying, and design;
- Construction management, project management, permitting, environmental review, and other necessary project-delivery costs;
- Matching funds for eligible federally funded mitigation activities; and
- Other measures approved by SCOR and determined eligible under applicable CDBG-DR requirements.

All construction activities must comply with applicable federal, state, and local building codes, floodplain-management requirements, accessibility standards, environmental requirements, permit conditions, and SCOR-approved plans and specifications.

ABBREVIATIONS

ADC	Activity Delivery Cost
AFN	Access Functional Need
AGI	Adjusted Gross Income
AMI	Area Median Income
AOR	Area of Responsibility
BCA	Benefit-Cost Analysis
BFE	Base Flood Elevation
CDBG	Community Development Block Grant
CDBG-DR	Community Development Block Grant – Disaster Recovery
CFR	Code of Federal Regulations
COAD	Community Organization Active in Disaster
COG	Councils of Government
CPD	Community Planning and Development
CPP	Citizen Participation Plan
CTD	Contract to Date
DCM	Disaster Case Management
DOB	Duplication of Benefits
DRGR	Disaster Recovery Grant Reporting
EA	Environmental Assessment
EEO	Equal Employment Opportunity
EIS	Environmental Impact Statement
EMPG	Emergency Management Performance Grant
EPA	Environmental Protection Agency
ERR	Environmental Review Record
FAR	Federal Acquisition Regulation
FHA	Federal Housing Administration
FMA	Flood Mitigation Assistance (Program)
FOIA	Freedom of Information Act
GIS	Geographic Information System
GMCR	Grants Management Common Rule
GPNA	Green Physical Needs Assessment
HCDA	Housing and Community Development Act
HMGP	Hazard Mitigation Grant Program
HMTAP	Hazard Mitigation Technical Assistance Program
HUD	Housing and Urban Development
HVRI	Hazard and Vulnerability Research Institute
IA	Individual Assistance
IC	Implementation Contractor
ICC	Increased Cost of Compliance
IDCM	Immediate Disaster Case Management
IG	Inspector General
IPR	In-progress Review
LMA	LMI Area Benefit
LMHI	LMI Housing Incentives
LMI	Low-to-Moderate Income
LSO	Labor Standards Officer
MID	Most Impacted and Distressed
MOD	Method of Distribution
MSCP	Mitigation Special Case Panel
NEPA	National Environmental Policy Act
NO	National Objective

NOFA	Notice of Funding Availability
NOGA	Notice of Grant Award
OIG	Office of the Inspector General
OMB	Federal Office of Management and Budget
ONA	Other Needs Assistance
OSE	Office of State Engineer
PA	Public Assistance
PII	Personal Identifiable Information
PMS	Payment Management System (Fed to State) SmartLink
POP	Period of Performance
QPR	Quarterly Performance Report
RFP	Request for Proposal
RFQ	Request for Qualification
ROF	Release of Fund
SAM	Federal System of Award Management
SCOR-DRD	South Carolina Office of Resilience-Disaster Recovery Division
SOR	System of Record
SoVI	Social Vulnerability Index
SPO	State Procurement Office
UGLG	Units of General Local Government
UN	Urgent Need
URA	Uniform Relocation Act

DEFINITIONS

Action Plan – A document that describes the needs, strategies, and projected uses of CDBG-DR funds.

Benefit-Cost Analysis – A method for determining the potential benefits of a mitigation project and comparing them to the cost.

Code of Federal Regulations – A Federal government coding system of Federal agency regulations published in the Federal Register

Davis-Bacon Act of 1931 (40 USC Part 3141 et seq.) and Related Acts – All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this chapter shall be paid fair wages.

Duplication of Benefits – The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any person, business concern, or other entity from receiving financial assistance from CDBG-DR funding with respect to any part of a loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other source.

Environmental Review- All substantially qualified applicants must undergo an environmental review process. This process ensures that the activities comply with National Environmental Policy Act (NEPA) and other applicable state and federal laws.

Housing and Urban Development Act of 1968, Section 3 – Requires the SCOR to ensure that training, employment, and other economic opportunities generated by HUD financial assistance shall be directed to the greatest extent feasible and consistent with existing Federal, State, and Local laws and regulations, to low and very low-income persons. Recipients of Section 3-covered funding ensure compliance and the compliance of their contractors/subcontractors with the Section 3 requirements, as outlined in 24 CFR Part 75

Section 3 – Requires, to the greatest extent feasible, that employment and other economic and business opportunities generated by the HUD financial assistance are directed to public housing residents and other low-income persons.

Subrecipient – Cities, Counties, Indian Tribes, local governmental agencies (including COGs), private non-profits (including faith-based organizations), or a for-profit entity authorized under 24 CFR 570.201(o). The definition of Subrecipient does not include procured contractors providing supplies, equipment, construction, or services and may be further restricted by Program Rules or other guidance including applications.

Subrogation Agreement– Means an agreement executed by the Owner agreeing to repay any duplicative assistance if they later receive other disaster assistance for the same purpose.

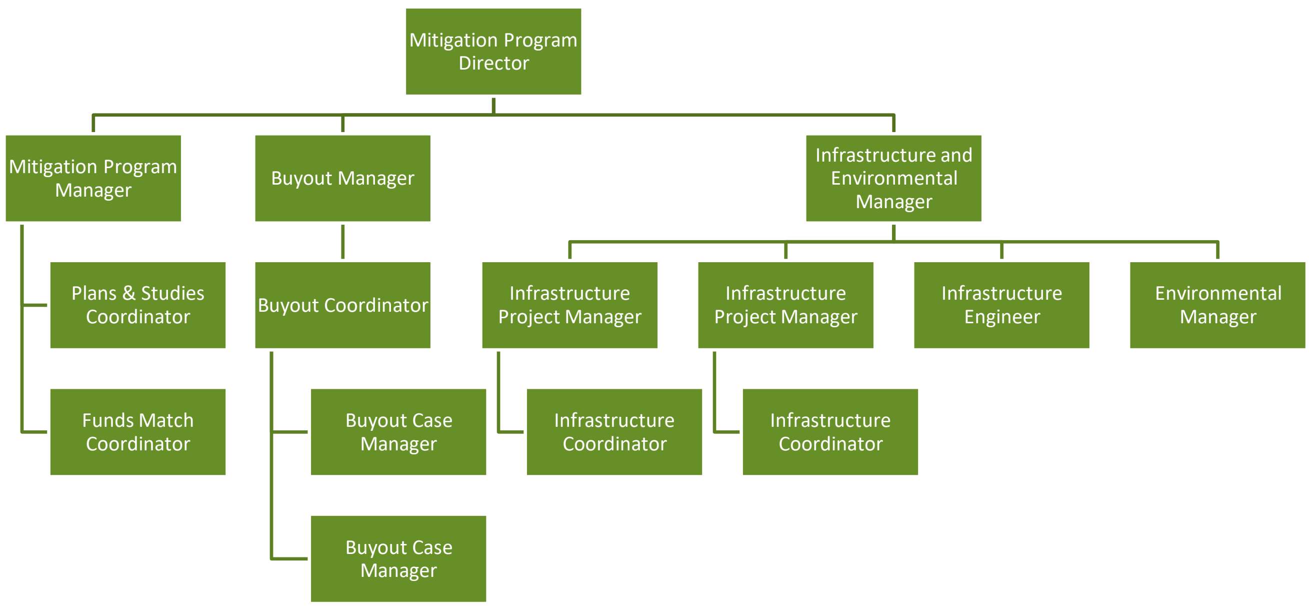
Units of General Local Government – UGLGs are either Cities, Counties, Indian Tribes, local governmental agencies (including COGs)

GENERAL

CHAIN OF LEADERSHIP

The chain of leadership for SCOR's CDBG-DR program is the following:

1. The Governor of the State of South Carolina
2. The South Carolina Chief Resilience Officer (CRO)
3. The Disaster Recovery Division (DRD) Director
4. The Mitigation Department Director



NATIONAL OBJECTIVES

South Carolina has designed this CDBG-DR program in compliance with HUD's national objectives and will ensure that assistance is prioritized toward the most disadvantaged populations. South Carolina will spend a minimum of 70% of program funds on activities that benefit the Low-to-Moderate Income (LMI) population. LMI status is determined by evaluating income as a percentage of the Area Median Income (AMI) in the county in which the applicant lives.

As stewards of federal CDBG-DR funds, the State of South Carolina complies with HUD's mission to develop viable communities by the provision of decent housing, a suitable living environment, and expanding economic opportunities, principally for LMI persons. To this end, all funded activities administered by the State of South Carolina will meet a HUD National Objective. SCOR will maintain records showing that funded activities meet one of the National Objectives. Depending on the National Objective, the files must contain, at a minimum, the following specific documentation for purposes of proving that the National Objective was met:

National Objective	Required Documentation
LMI Area Benefit (LMA)	• Boundaries of service area • Census data including total persons and percentage LMI • Evidence area is primarily residential • Income survey documentation (if applicable)
LMI Housing (LMHI)	• Housing Income verification of households
Urgent Need Mitigation (UNM)	• Description of impact being addressed by the activity in terms of type, scale, and location

URGENT NEED (UN)

Because HUD provides CDBG-DR funds only to grantees with documented disaster-related impacts and each grantee is limited to spending funds only for the benefit of areas that received a Presidential disaster declaration, the Secretary finds good cause to waive the urgent need national objective criteria in section 104(b)(3) of the HCDA (42 U.S.C. 5304(b)(3)) and to establish the following alternative requirement using the urgent need national objective for a period of 36 months after the applicability date of the grantee's AAN:

UNMET NEEDS ASSESSMENT

South Carolina evaluated the impacts of Hurricane Helene and the financial support to combat these impacts across the three major sectors as required by the Department of Housing and Urban Development: housing, infrastructure, and the economy. The unmet needs assessment has identified housing unmet needs of $1,747,703,226 (81%), infrastructure unmet need of $192,811,945 (9%), and economic unmet need of $224,707,732 (10%). The total unmet need identified from the impacts of Hurricane Helene is estimated to be $2,165,222,903 after accounting for a 30% resiliency factor across the three major sectors to account for increased resilience in construction methods. (For further details, see UNMET NEEDS AND MITIGATION NEEDS SUMMARY)

UTILIZING UN

The Mitigation Buyout Program will utilize the Urgent Need national objective. SCOR will serve eligible

Beneficiaries with above 80% of the county AMI determination. Serving the UN population allows the Owner to move out of harm's way through acquiring property in a floodplain, floodway or DRRA and returning it to a greenspace in perpetuity. Award amounts will not exceed the programmatic cap. Additionally, SCOR will ensure using the UN national objective will not benefit the UN population to the exclusion of low-income participants.

SUBRECIPIENTS

SCOR may choose to contractually obligate funds to subrecipients to implement activities or programs. Depending on the specific program, a subrecipient must be a public Unit of General Local Government (UGLG), state agency or regional council of governments (COG) to receive CDBG-DR funds from SCOR to undertake eligible activities. All Subrecipients must adhere to the program guidelines and policies set forth in this manual. Additionally, SCOR has adopted an extensive Subrecipient Administrative Manual, which must be adhered to by all Subrecipients.

Subrecipients will be notified by SCOR of all updates or changes to this manual, as well as changes to the Action Plan, subrecipient grant manual or subrecipient agreement. Subrecipients will have 5 business days to read the update or change and acknowledge the notification in email to the Mitigation Program Manager.

PUBLICATIONS, VERSION CONTROL, AND APPLICATION INTAKE

SCOR will finalize, approve, and publish this program-specific Policy and Procedure Manual on its official disaster recovery website by the applicable HUD deadline and before formal application intake begins for any activity governed by the Manual. The same requirement applies before intake begins under a new or materially revised program design.

SCOR acknowledges that the Hurricane Helene Mitigation Set-Aside application period opened before this program-specific Policy and Procedure Manual was finalized and published. SCOR documented the basis for proceeding and the actions taken to provide advance notice of and meaningful access to the funding opportunity. Before and throughout the application period, SCOR used multiple outreach and communication methods to make potential applicants aware of the program's eligible activities, eligible applicants, application requirements, submission methods, deadlines, and available technical assistance.

Applicant awareness efforts included publishing program and application information on SCOR's website; conducting town halls, roadshows, meetings, and technical assistance sessions; making application pages, forms, presentation materials, and related guidance available electronically; and communicating directly with Units of General Local Government, Councils of Government, Tribal Nations, state agencies, and other potential applicants through email and other outreach channels. SCOR will retain website publication records, attendance and registration records, presentation materials, application documents, correspondence, and related administrative records in the System of Record to demonstrate the nature, timing, reach, and content of these efforts.

These outreach and communication measures supported transparency, broad awareness, and equitable access to the application process, but they did not constitute publication of the final program-specific Policy and Procedure Manual. SCOR retained records showing the approval date, effective date, website publication date, version number, and the date formal application intake began. SCOR will retain website posting confirmations or screenshots and will notify affected staff and subrecipients of material changes.

APPLICABILITY OF HOUSING-SPECIFIC REQUIREMENTS

The Voluntary Buyout Program is the only housing activity administered under this Manual. It provides voluntary acquisition, demolition, relocation assistance when applicable, and permanent conversion of acquired property to an eligible open-space use. The Manual does not authorize residential construction, reconstruction, rehabilitation, or new construction of affordable rental housing with five or more units. Housing-specific requirements governing residential construction warranties, assistance with poor-quality housing construction, and rental affordability periods therefore do not apply to these Mitigation Set-Aside activities.

Public infrastructure construction and demolition contracts remain subject to the procurement, contracting, inspection, corrective-action, warranty, and closeout requirements applicable to those contracts. HUD Rapid Unsheltered Survivor Housing funding is not administered through the four activities described in this Manual. If such funding becomes applicable, SCOR will document how the activities align and build upon that assistance and will amend the applicable procedures before implementation.

APPLICATION OVERVIEW

Applications will be categorized into one of the following projects: (1) plans and studies, (2) infrastructure, (3) buyouts, and (4) match.

Applications
All mitigation applications will be submitted electronically. All applications must include at a minimum:

- Scope of work
- Work schedule
- Detailed cost estimate
- Scoping narrative for the funds requested
- Long-term planning and risk mitigation considerations
- How the project mitigates current and future flooding risks
- Low-and-moderate income priority
- Coordination of mitigation projects and leverage
- Construction standards (*infrastructure only*)
- Operation and maintenance plans
- Mandatory certifications

A scoping narrative is a primary required piece of the grant application that includes three elements: scope of work, a work schedule, and a detailed cost estimate. SCOR uses the scoping narrative information to determine whether the activities or projects are eligible, whether the applicant can complete the activities within the required period of performance, and whether the proposed costs are reasonable.

The scoping narrative requires a short overview and descriptions of proposed activities. The description of activities must include the proposed approach, how the outcomes will be reached, the level of effort anticipated (including key milestones and work schedule), and the relationship of each activity to the cost estimate. The responsible party for each task must be identified in the scoping narrative. Descriptions of the methods used to manage the tasks and monitor and report on progress must also be identified.

The scoping narrative will become part of the conditions of the award; therefore, sufficient detail is required so SCOR can monitor progress as the work is accomplished.

1. **Plans & Studies Applications**
    - SCOR will solicit applications from Units of General Local Government (UGLGs) and regional Councils of Government (COGs) located in the six (6) counties eligible for assistance, as well as state agencies
    - Applications are accepted year round
    - The application must show how the plan or study identifies causes of flooding and/or potential flood reduction projects

2. **Infrastructure Applications**
    - SCOR will solicit applications from Units of General Local Government (UGLGs) located in the six (6) counties eligible for assistance
    - The application period will be open for a 90-day submission period
    - Applications must come from a Unit of General Local Government (UGLG) or Tribal Nation within one of the (6) HUD MID Counties.
    - The application must show a public infrastructure project that can reduce future flood risks from surface or riverine flooding
    - Applications should demonstrate community support for the proposed project

3. **Buyouts Applications**
    - SCOR will solicit applications from Units of General Local Government (UGLGs) located in the six (6) counties eligible for assistance
    - The application period for the buyout program for a 90-day submission period
    - The application must target acquisition of dwellings in the floodplain, floodway, or in a designated Disaster Risk Reduction Area (DRRA).

4. **Matching Funds Applications**
    - SCOR will solicit applications from Units of General Local Government (UGLGs) located in the six (6) counties eligible for assistance and state agencies
    - Applications are accepted year round
    - The application must be for an approved federally funded mitigation project requiring a local/non-federal match

INTEGRATION OF MITIGATION AND RESILIENCE MEASURES

Mitigation measures and long-term risk-reduction strategies are aligned from application development, project selection, design, environmental review, implementation, monitoring, and closeout procedures. Mitigation is a required program consideration rather than an optional project enhancement. Each funded activity must identify the natural hazard being addressed and explain how the activity will reduce or eliminate long-term risk to people, property, infrastructure, critical services, or community functions.

Cross-Program Risk Assessment

SCOR and its applicants will use the best available data to evaluate current and reasonably anticipated future conditions. Depending on the activity, the analysis may include floodplain and watershed data, repetitive-loss information, historical disaster impacts, rainfall and drainage analyses, hydrologic and hydraulic modeling, vulnerability assessments, hazard mitigation plans, engineering reports, and local knowledge. The project file must document the hazard, exposed population or assets, alternatives considered, selected risk-reduction strategy, anticipated mitigation benefit, and how the activity avoids increasing or transferring risk to another location.

Infrastructure and Construction

Construction activities must be designed to withstand identified chronic stresses and extreme weather events over the anticipated useful life of the improvement. Plans and specifications will incorporate applicable codes, standards, permitting conditions, engineering recommendations, and feasible resilience measures. Measures may include increased stormwater capacity, detention or retention, drainage improvements, erosion control, elevation or floodproofing, redundant or adaptable systems, stream or floodplain restoration, and nature-based or green infrastructure. SCOR will verify during design review, construction monitoring, final inspection, and closeout that approved mitigation measures were incorporated and that operations and maintenance responsibilities are documented.

Voluntary Residential Buyouts

Voluntary buyouts reduce risk by permanently removing people and structures from hazard-prone areas. SCOR will consider repetitive flooding, documented disaster impacts, flood depth or frequency, threats to health and safety, access limitations, and the opportunity to create contiguous open space or a watershed-level benefit. Acquired structures will be removed, applicable deed restrictions will be recorded, and properties will be maintained in perpetuity for approved open-space, flood-management, conservation, recreation, or other compatible risk-reduction uses, as deemed suitable by the Responsible Entity. When feasible, acquisitions will be coordinated to reconnect floodplains, restore natural functions, improve drainage, and reduce future emergency-response and disaster-assistance demands.

Plans and Studies

Plans and studies will identify hazards and vulnerabilities, evaluate existing and future conditions, compare technically feasible alternatives, and recommend actionable mitigation strategies. Final deliverables must document the data, assumptions, methods, findings, alternatives, recommended measures, estimated costs, implementation priorities, and potential funding sources. When appropriate, applicants will incorporate findings into hazard mitigation plans, comprehensive plans, watershed or stormwater plans, land-use policies, capital improvement programs, development standards, or future project applications.

Matching Funds

CDBG-DR funds used for an eligible non-federal share will support a FEMA-approved mitigation activity that is consistent with the Action Plan, meets a CDBG-DR national objective, and provides a documented mitigation benefit. SCOR will coordinate with FEMA, the South Carolina Emergency Management Division, the applicant, and other responsible agencies to verify the approved scope, budget, funding shares, period of performance, and responsibilities of each funding source. The project file must segregate costs by funding source and demonstrate that CDBG-DR does not duplicate the federal share or any cost reimbursable by another source.

Resilience Performance Measures

SCOR will identify and maintain resilience performance measures for each applicable DRGR activity and will use those measures to assess whether investments withstand chronic stresses and extreme weather events and achieve the approved risk-reduction purpose. Measures may include people and structures benefiting from infrastructure improvements; level of protection or modeled flood reduction; properties acquired and structures removed; acres converted to permanent open space or restored natural function; plans and studies completed or adopted; mitigation projects advanced toward implementation; and federal mitigation funds leveraged through CDBG-DR match. Baselines, projected outcomes, actual accomplishments, and supporting source documentation will be retained in the System of Record and reported in DRGR as required.

MITIGATION SPECIAL CASE PANEL (MSCP)

During the activities of the Programs, many decisions will be made involving each project. These decisions will be made based on the State of South Carolina's interpretation of:

- Applicable federal and state statutes
- The Code of Federal Regulations
- State and local codes and ordinances
- Local guidelines
- The South Carolina Action Plan for CDBG-DR Mitigation Set-Aside (Action Plan); and
- The SCOR CDBG-DR Mitigation Set-Aside Program Policies and Procedures Manual

SCOR will consider and respond to concerns, suggestions, requests, cases with exceptional excessive costs, and other issues pertaining to CDBG-Mitigation Program by utilizing a Mitigation Special Case Panel (MSCP). The MSCP must review the following:

- Any proposed buyout award more than the establishment program guidelines.
- Any appeal of the buyout program appraised value of the home/property.
- Any request to review an incentive award that causes the buyout award to be more than program guidelines.
- Any items the demolition contractor believes are truly excessive, and outside the scope of the standard fixed price.
- Infrastructure, Buyout, Plans and Studies, and Match project change orders that exceed project contingency budget.

Requests that are within the project contingency budget, time extensions, and/or no cost to SCOR, do not require MSCP review and will be approved or denied through the following process:

- The SCOR Mitigation Director will review, and either approve or deny all time extension requests for all project types. Such requests do not need to be brought to or approved by the Mitigation Special Case Panel.
- The SCOR Mitigation Director will review, and either approve or deny all no cost change orders. Such requests do not have no financial impact on SCOR's award amount or financial commitment to the project.
- Any project requesting a non-federal match of a FEMA-funded Mitigation Grant programs.
- Any Plans and Studies applications from State Agencies, COGs, and/or UGLG for development and/or revision of hazard mitigation plans and flood-reduction studies.
- Priority or eligibility appeals as requested by the SCOR Constituent Services Manager.

Internal Auditing will review the proposed item prior to the MSCP meetings. Audit shall research and investigate any information as deemed needed and may challenge the proposed item as submitted. Internal Auditing will forward any concerns regarding the information, findings, and proposal to the South Carolina Chief Resilience Officers (CRO). The CRO will make a final determination as to whether the State will fund any items designated as inappropriate by internal Auditing. Internal Auditing must submit documentation of the audit review into the System Record.

The MSCP is a five-member panel that consists of the Mitigation Program Director (Chair), the Mitigation Program Manager, a SCOR Attorney, the SCOR Disaster Recovery Program Manager, and a SCOR Finance Representative. A decision memorandum or equivalent will set forth the Panel's findings on each matter it considers. The decision memorandum or its equivalent will be reviewed by SCOR's Legal Department for approval before being submitted to the Mitigation Director and Director of Operations for signature. The decisions memorandum is signed by the Mitigation Director and the Director of Operations. The signed decision memorandum will be uploaded to the System of Record.

EMERGENCY CHANGE ORDERS

The emergency change order process is used when a previously approved mitigation project requires a time sensitive change to the existing contract that cannot wait for the next MSCP meeting. An emergency change order will be reviewed for determination in a compressed timeframe to avoid project delays. An example of an emergency change order is the repair of an unexpected watermain break. All actions not included in the approved scope or any increase to the approved cost for a scoped action, MUST be submitted for review and approval. An Emergency Change Order request can be submitted for two reasons:

- To prevent a major delay or impact to the process, a critical system/service, or community; and
    - The action to resolve the issue cannot be delayed until the next scheduled Mitigation Special Case Panel Meeting
- Immediate action required due to fault or action of contractor or firm (Break-Fix)

If an Emergency Change Order is requested for a Break-Fix scenario, it should be accompanied by an incident log for review and to determine the responsible party.

Emergency Change Order Process

1. The awarded project contractor must notify the respective Mitigation Program Manager of the need for an emergency change order.

2. The contractor provides details about the required change to include but not limited to the cause and cost.

3. The Mitigation Program Manager determines if the request is, indeed, an emergency and if the request is feasible. The Mitigation Program Manager will consider the scope, level of urgency, and cost of request. If approved, the Mitigation Program Manager may approve additional work for a cost "not to exceed" based on the nature of the scope.

4. The Mitigation Program Manager approves or denies the emergency change order.

5. All approved emergency change orders must be presented by the approving Mitigation Program Manager for an official MSCP review at the next scheduled Mitigation Special Case Panel Meeting. If approved or disapproved, a determination is recorded for the record.

6. Denied emergency change order requests will be presented at the next scheduled Mitigation Special Case Panel Meeting. An official MSCP review is performed, and the determination is recorded.

7. The MSCP Decision Memorandum is added to the System of Record.

APPEALS

Applicants have the right to appeal any determination issued by the SCOR CDBG-DR Mitigation Set-aside Program that affects the applicant's eligibility or assistance determination.

If an applicant chooses to appeal, the appeal must be submitted in writing with thirty (30) calendar days of the eligibility or assistance determination letter. The appeal must include contact information for the appellant or complainant, address, and project number (if applicable), a detailed letter explaining the reason for the appeal and any supporting documents related to the appeal. The appeal may be submitted through one of the following methods below:

Address: South Carolina Office of Resilience
ATTN: Mitigation Appeals
2100 Bull Street
Columbia, South Carolina 29201

Email: Mitigation@scor.sc.gov

The SCOR Mitigation staff is responsible for responding to complaints and appeals in a timely and professional manner. The appeals procedure will provide a quick and efficient system for resolution of concerns or disputes that applicants may have with the procedures followed and services provided by SCOR. The Mitigation Special Case Panel will review appeals.

The Constituent Services Office of SCOR will review complaints. The review process may include but not be limited to informal hearings, third-party review, and director approval. SCOR will keep a record of each complaint or appeal that it receives to include all communications and their resolutions. Complaints alleging violation of fair housing laws will be directed to the U.S. Department of Housing and Urban Development for immediate review. Complaints regarding fraud, waste, or abuse of government funds will be forwarded to the HUD OIG Fraud Hotline (phone: 1–800–347–3735 or email: hotline@hudoig.gov). If an applicant disagrees with an official decision, he or she can appeal to the SCOR.

COMPLIANCE (CROSS-CUTTING REQUIREMENTS)

Please refer to the guidelines outlined in the following sections for compliance with cross-cutting requirements:

- Section 3.01 ***Davis-Bacon & Related Acts Labor Standards*** (pg. 90)
- Section 3.03 ***Section 3*** **(**pg. 128)
- Section 3.07 ***Procurement*** (pg. 136)
- Section 3.10 ***Environmental Criteria and Standards*** (pg. 160)

The following additional sections also apply, as relevant to the activity: Duplication of Benefits; Uniform Relocation Act and the Residential Anti-Displacement and Relocation Assistance Plan; Fair Housing and Section 504 accessibility; Citizen Participation and Language Access; Reporting and DRGR; Monitoring; Procurement and Contracting; and Environmental Criteria and Standards. Program staff must document the applicable cross-cutting reviews and approvals in the System of Record before closeout.

PROCEDURES FOR FEDERALLY FUNDED MITIGATION GRANT MATCH ACTIVITY

The State has designated five hundred thousand dollars to match FEMA approved mitigation projects. Activities may include but are not limited to buyouts, localized flood risk reduction, and stormwater infrastructure improvements. Applicants are required to submit applications for the federally funded program through the proper South Carolina State agency. As an example: applications must go through the South Carolina Emergency Management Division for the HMGP programs. All projects must meet both the FEMA and HUD requirements to be eligible for funding.

All activities allowed under CDBG-DR include but are not limited to flood control and drainage improvements, including the construction or rehabilitation of stormwater management systems; infrastructure improvements; natural or green infrastructure; buyouts or acquisition with or without relocation assistance, down payment assistance, housing incentives, and demolition; and Hazard Mitigation Plan updates.

Requests for match funding will be available year-round through a rolling application window. The Federally Funded Mitigation Match Program requests will be prioritized based on a first-come, first-served basis. While applications will be prioritized on this basis, the MSCP will review all requests for funding. The MSCP will consider eligibility requirements, the amount of funds requested, the match activity, location of the match activity, and any other pertinent information. After the request for funding is approved or denied by the MSCP, the Mitigation Program Director will notify the entity of the decision and next steps.

Applicants are automatically subrecipients for the Match activity. Subrecipient must submit a subrecipient application along with the Match application. If awarded, subrecipients will also have to enter into and sign a subrecipient agreement.

PROCEDURES FOR PLANS AND STUDIES ACTIVITY

SCOR will provide funding to State agencies (example: the South Carolina Emergency Management Division), Councils of Government (COGs), and UGLG(s) for the development and revision of hazard mitigation plans, and the development of flood-reduction studies to aid in the identification of any projects that may be funded through phase 2 and phase 3 of the infrastructure or buyout programs, or by other applicable funding sources. SCOR will solicit applications from UGLGs located in the SC and HUD-defined MID counties to disperse planning funds. The following is a list of eligible activities but is not limited to:

- Local and regional functional land-use plans
- Stormwater Master plans
- Drainage and Stormwater Studies
- Comprehensive plans
- Community recovery plans
- Resilience plans
- Hazard Mitigation Plan updates
- Disaster risk analysis/reduction studies that identify potential flood-reduction projects

DEFINING PLANS & STUDIES ELIGIBLE ACTIVITIES

Local and Regional Land-Use Plan

- Considers existing and future land use by categories, including residential, commercial, industrial, agricultural, forestry, mining, public, recreation, parks, open space, and vacant or undeveloped.
- Flood mitigation, and the resulting risk to life and property, can be achieved by the plan directing residential and commercial growth away from flood-prone areas, and returning parcels to green or open space that can provide assets to the community, such as recreation, while also managing stormwater.
- Such plans can be implemented by creating a zoning ordinance or including a future land use map in a community's comprehensive plan.

Stormwater Master Plan

- In addition to investigating flooding issues, assessing current stormwater system, & developing and prioritizing projects, a stormwater master plan includes a broader implementation plan that can be used by the municipality to make further decisions and updated by them on a regular basis.
- Focus goes beyond stormwater system improvements, and considers broader strategies such as governance (land use regulations for instance)
- May consider issues beyond stormwater capture and conveyance such as water quality and regulatory compliance.

Drainage & Stormwater Study

- Investigates flooding issues, assess current stormwater system (if there is one), develops and prioritize projects
- focus is in a small, specific problem area(s) to further define observed issues, through a hydrology and hydraulics analysis, resulting in implementable project proposals that will address the specific problems a locality is experiencing.

Comprehensive Plan

- A long-range plan to direct growth and community development. In South Carolina, municipalities must follow the SC Local Government Comprehensive Planning Enabling Act when creating and updating their comprehensive plan.
- Required elements: population, economic development, natural resources, cultural resources, community facilities, housing, land use, transportation, priority investment and resiliency.
- Mitigation may be a part of any of these elements really, from siting economic development, housing, and transportation, to identifying projects (like stormwater) for priority investment. However, mitigation can play a central role in the following elements:
- Natural Resources element: by law, this element must consider coastal resources, slope characteristics, prime agricultural and forest land, plant and animal habitats, parks and recreation, scenic views and sites, wetlands, and soil.
- Land Use Element: considers existing and future land use by category: residential, commercial, industrial, agricultural, forest, mining, public recreation, parks, open space, and vacant or undeveloped.
- Resilience element: this is a new element requirement in SC. This element must consider the impact of flooding, high water, and natural hazards on communities, individuals, institutions, businesses, economic development, public infrastructure & facilities, and public health, safety, and welfare. The element should outline existing conditions, promote resilient planning, design, and development. This element should be coordinated with adjacent and relevant jurisdictions and agencies.

Community Recovery Plan

- A plan that focuses on strategies to coordinate a jurisdiction's efforts to recover from a disaster: physically, socially, environmentally, and financially.

Resilience Plan

- In addition to including resilience in their comprehensive plan, a community (perhaps those who have more specific issues, or a smaller area, may want to develop a stand-alone resilience plan.
- A resilience plan should have similar elements to the Resilience element required by the state of SC but may have a larger or smaller scope to meet community needs.

Hazard Mitigation Plan (& Update)

- Plans to reduce loss of life and property by minimizing the impacts of future disasters
- Includes identifying natural disaster risks and vulnerabilities that are common in an area and then developing long-term strategies for protecting people and property from similar events.
- Local jurisdictions must update their FEMA approved hazard mitigation plans every 5 years to be eligible for FEMA mitigation project grant funding.
- The state may wish to earn enhanced status for their mitigation plan, which makes them eligible to receive more funding under the HMGP following a disaster declaration. To receive approval of an enhanced plan, the state must show that it has developed a comprehensive mitigation program and can manage increased funding for its mitigation goals. In an effort to receive this designation, eligible activities may include an evaluation of the current hazard mitigation plan, updating a Hazard Identification/Risk Assessment (see Disaster Risk Analysis/Reduction study below) or other plans & studies to enhance mitigation programs.

Disaster Risk Analysis/Reduction Study

- A study that investigates the degree to which an area is exposed to certain types of risk. Based on this assessment, reduction measures to reduce the degree of risk are proposed.
- Considers potential consequences and impacts to people, property, and the environment.
- Could be done on a state (SCEMD HIRA), regional (Central Midlands All Hazards Risk Assessment), or municipal level (City of Charleston All Hazards Vulnerability and Risk Assessment)
- This kind of study may be a portion of a Hazard Mitigation Plan update or be done to reach the goal of receiving Enhanced Status (see Hazard Mitigation Plan above).

Requests for planning and study funding will be available year-round through a rolling application window, until all funds /have been exhausted. The Plans and Studies Mitigation Program requests will be prioritized based on a first-come, first-served basis. While applications will be prioritized on this basis, the MSCP will review all requests for funding. The MSCP will consider eligibility requirements, the amount of funds requested, the planning/study activity, location of the planning/study activity, and any other pertinent information. After the request for funding is approved or denied by the MSCP, the Mitigation Program Director will notify the entity of the decision and next steps.

Applicants may request to be a subrecipient or have the state run the project. If an applicant wants to be a subrecipient, they must submit a subrecipient application along with the Plans & Studies application. If awarded, subrecipients will also have to enter into and sign a subrecipient agreement.

PROCEDURES BUYOUT PROGRAM ACTIVITY

SCOR is the administrator of the HUD CDBG-DR Mitigation Set-Aside funds ($8.1M allocated towards buyouts) that provide funding for the Mitigation Voluntary Buyout Program. The Buyout Program (Buyout) will be state-run and will be implemented in accordance with all HUD requirements.

SCOR must ensure the Buyout and its expenditures are compliant with all applicable federal and state laws, and funds must be expended within six years of the signed grant agreement (August 21, 2025.) The Buyout will have a team consisting of a Program Manager, Project Coordinator and Case Manager.

Buyouts are voluntary in nature and are eligible in the six HUD MID counties (Aiken, Anderson, Greenville, Greenwood, Laurens, and Spartanburg) as a means of acquiring residential, single-family parcels located in the floodplain or a Disaster Risk Reduction Area (DRRA) with the intent of reducing risk from future hazards and reverting the area back to a greenspace in perpetuity. Buyouts prevent homeowners from making repairs and investing funds in properties that experience repetitive flooding. Properties acquired through the Buyout are not part of a designated or planned development project; properties will not be acquired through eminent domain. Post-disaster appraisals will be used in determining the acquisition of property.

To minimize displacement, SCOR will follow its CDBG-DR Residential Anti-Displacement and Relocation Assistance Plan (RARAP), the Uniform Relocation Assistance and Real Property Acquisition Policies Act, Section 104(d), Section 504 of the Rehabilitation Act, and other applicable accessibility requirements. The RARAP is published with SCOR's Hurricane Helene CDBG-DR materials at https://scor.sc.gov/Helene-CDBG-DR.

OBJECTIVES

- Reduce the risk of property damage by reducing repetitive flood insurance payments and natural disaster assistance;

- Facilitate strategic buyouts of contiguous (when possible) properties that have been subject to repetitive flooding for the end use of green space in perpetuity;
- Return properties to a natural and beneficial function, aiding in stormwater and wetlands management; and/or
- Allow for subsequent homeownership in areas of reduced risk through the provision of monetary incentives.

REQUIREMENTS

- . Property must be residential, single-family dwellings located in floodway, floodplain, or DRRA;
- Property must be dedicated and maintained in perpetuity for use compatible with open space, recreational, floodplain and wetlands management practices, or other disaster-risk reduction practices.
- No new structure will be erected on property other than:
  - Public facility open on all sides and functionally related to a designated open space (e.g., a park, campground, or outdoor recreation area);
  - Restroom; or
  - Flood control structure
- Deed restrictions requiring property be dedicated and maintained for compatible uses.
- Disaster-damaged abandoned properties, elevated homes, second homes, and vacant lots may also be considered acquisition.
- After receipt of the assistance, with respect to any property acquired, accepted, or from which a structure was removed under the Voluntary Buyouts Program, no subsequent application for additional disaster assistance for any purpose or to repair damage or make improvements of any sort will be made by the owner of the buyout property (including subsequent owners) to any Federal entity in perpetuity

ACRONYMS & DEFINITIONS

Area Median Income (AMI) - Calculated limits based on HUD-estimated median family income with adjustments based on family size. See [Income Limits Data for HUD Housing Assistance Programs | HUD USER]. HUD will only consider those funds used for households with incomes at or below 80 percent of the area median income to qualify as meeting the LMI person benefit national objective.

Buyout - The voluntary acquisition of properties located in a floodway, floodplain, or other Disaster Risk Reduction Area that is intended to reduce risk from future hazards. Buyout activities must establish an open space management plan or equivalent.

Duplication of Benefits – The Robert T. Stafford Disaster Assistance and Emergency Relief Act (Stafford Act) prohibits any person, business concern, or other entity from receiving financial assistance from CDBG-DR funding with respect to any part of a loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other source.

Heirs' Property - Property that is owned by multiple family members must all sign the beneficiary application. Heirs' property is not eligible for the LMI incentive.

Low-and-moderate-income Housing (LMH) - The buyout activity combines the acquisition of properties with another direct benefit such as incentives that results in occupancy.

Manufactured Housing Unit (MHU) – A structure, transportable in one or more sections which, in the traveling mode is eight body-feet or more in width, or forty body-feet or more in length, or when erected on site, is at least 320 square feet, and which is built on a permanent chassis and is designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein.

Rental Property – A tenant-occupied property that is verified through a written lease agreement and/or a demonstrable payment history.

Second Home – For CDBG-DR funds, a second home is defined as a home that is not the primary residence of the owner, a tenant, or occupant at the time of the storm or at the time of application. Second homes are not eligible for program incentives.

Units of General Local Government (UGLG)– Cities, Counties, Indian Tribes, or local governmental agencies (including COGs).

Uniform Relocation Assistance and Real Property Acquisitions Policies Act (URA) - Applies to all acquisitions of real property or displacements of persons resulting from Federal or federally assisted program or projects. URA's objective is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.

CITIZENSHIP

U.S. Citizens or lawful permanent residents are eligible to receive benefits under this Program. Each Owner on the application with an ownership interest in-part or in-whole on the property must be able to demonstrate U.S. Citizenship or Lawful Permanent Residence to ensure Program eligibility. (8 U.S.C. 1601-1646) (PRWORA). The documentation needed may include, but is not limited to, the following:

- If the applicant who also appears on the ownership data/documentation, has a valid South Carolina Driver's License, the Program will consider this validation complete (Note: The State of South Carolina requires proof of Citizenship in order to receive a Driver's License);
- Other State Driver's Licenses that require proof of Citizenship for issuance will also be considered to validate Citizenship; and/or
- In the event a Driver's License is not available, applicants that have confirmed assistance using FEMA IA or SBA data for property assistance will be considered verified using this method since both FEMA and SBA validate legal residency as part of their application process.
- Resident Alien Card;
- Birth Certificate (verified against government-issued photo ID);

- US Passport or Certificate of Naturalization; or
- In the event the applicant is unable to provide any of the above documentation, a US Immigration and Naturalization Service, SAVE search, may be conducted to determine citizenship or residency.

NATIONAL OBJECTIVES

SCOR will utilize the Low-and-Moderate-Income Housing (LMH) national objective or the Urgent Need (UN) national objective and will ensure Buyout activities do not benefit moderate-income persons to the exclusion of low-income persons.

MAXIMUM BUYOUT ASSISTANCE

The Buyout purchase determination is based on a post-disaster appraised value, plus eligible incentives, less any Duplication of Benefit. The determination will be presented to the owner in writing. (See Offer to Purchase for further details)

The maximum Offer to Purchase for an individual property is capped at $400,000, inclusive of eligible incentives. An Offer to Purchase greater than the Maximum Buyout Assistance will be submitted to the SCOR Mitigation Special Case Panel (MSCP) for consideration.

Exceptions to the maximum amount of assistance will be considered only on a case-by-case basis. The written exception request must describe the circumstances requiring additional assistance; identify the amount requested; provide an updated appraisal, cost information, or other supporting documentation; and demonstrate that the proposed amount is necessary and reasonable to accomplish the eligible buyout and mitigation purpose.

The Program Manager will document the review and recommendation, including consideration of program requirements, duplication of benefits, cost reasonableness, available funding, consistency with similarly situated cases, and whether a lower-cost alternative can accomplish the same purpose. The MSCP will approve, deny, or request additional information through a written decision maintained in the System of Record. An exception is not an entitlement and does not modify the program cap for other applicants.

Eligible costs included in the Buyout Maximum Assistance are:

- Purchase price of property;
- Buyout incentive(s)

MITIGATION SPECIAL CASE PANEL

The Program Manager approves cases presented to the Mitigation Special Case Panel (MSCP). Any member of the Team may present the approved case to MSCP, which is held on a weekly basis. The MSCP will approve, deny or request additional information before making a decision. The Case Manager will relay results to the Owner within one week of MSCP's decision.

ELIGIBLE ALLOWABLE EXPENDITURES

The following project costs are allowable expenditures:

- Appraisal
    - Report
    - Review
- Asbestos and/or Hazardous Waste
    - Testing
    - Monitoring
    - Plan Design for demolition
    - Abatement
- Boundary Survey
- Closing Costs
    - Attorney Fees
    - Recording Fees
    - Settlement Fees
    - Other costs outlined on the settlement statement
    - Title searches/commitments
- Demolition related costs/fees
- Document Signing Fees
- Engineering Design
- Incentives
- Inspection Costs
- Permitting

VOLUNTARY PROGRAM

As the Buyout is a voluntary program, the Owner may elect to withdraw from the program at any time. SCOR will not utilize eminent domain to purchase properties under any circumstances.

Withdrawal from the Buyout is permitted at any time prior to the Offer to Purchase becoming a binding contract. The Offer to Purchase contract will not be considered binding until 1) Title commitment has been provided by the closing attorney; and 2) Deed is recorded with respective county, and no encumbrances have been identified.

All Offer to Purchase contracts will be made in writing and will include the determination of the offer calculation. If the Offer to Purchase is declined or Owner withdraws, SCOR will not pursue the purchase of the property further. (See Offer to Purchase for additional details.)

Voluntary Withdrawal

When an owner (Owner) elects to withdraw from the Buyout:

- Owner must provide a request in writing to their assigned Case Manager.

- If Owner has not signed an Offer to Purchase, the property will be considered withdrawn upon request. When there are multiple owners, the Case Manager will notify each Owner of the withdrawal through certified mail. The file status will be marked as withdrawn in the SOR.

- If the Owner has signed an Offer to Purchase, the Case Manager will forward the file to the Project Coordinator for review and determination if the Offer to Purchase is considered binding.
- The Project Coordinator will review the file for a recorded survey and complete title search within one week of receipt of the withdrawal request. Any delays in this process will be memorialized in the file (ex: closing attorney or county records not available within a week's time). Results of the review will be sent to the Owner via certified mail and saved to the SOR.
  - If the Offer to Purchase is not considered binding the property status will be marked as withdrawn.
  - If the Offer to Purchase is considered binding, the Case Manager will notify the Owner it is too late to withdraw.
- All correspondence regarding withdrawal must be recorded in the System of Record.
- When applicable, the System of Record Property Status will be updated to Withdrawn.

DISASTER RISK REDUCTION AREA (DRRA)

A Disaster Risk Reduction Area is a geographic area not located within a Special Flood Hazard Area or floodway as identified on the Flood Insurance Rate Map (FIRM), or pre-firm, but has experienced documentable repetitive flooding but has been determined by SCOR to have a high risk of repetitive or future disaster impacts where voluntary buyout, relocation, and conversion to open space will measurably reduce long-term risk to persons and property.

If the targeted property is not located within a Special Flood Hazard Area or floodway as identified on the Flood Insurance Rate Map (FIRM), or pre-firm, but has experienced documentable repetitive flooding, the UGLG may designate the area as a Disaster Risk Reduction Area (DRRA) or may request a determination from SCOR. SCOR may determine a DRRA using the following:

- The area has been impacted by the hazard that has been caused or exacerbated by the disaster for which the grantee received its CDBG-DR allocation or address the current and future risks as identified in the grantee's mitigation needs assessment;
- The hazard identified must be a predictable environmental threat to the safety and wellbeing of program beneficiaries, as evidenced by the best available data (e.g., FEMA Repetitive Loss Data, National Risk Index, etc.) and science (such as engineering and structural solutions propounded by FEMA, USACE, other federal agencies, etc.); and
- The area must be clearly delineated so that HUD and the public may easily determine which properties are located within the designated area.

Verifiable documentation of repetitive flood events will include:

- FEMA maps (including draft maps),
- FEMA Repetitive Loss Data,

- Insurance Claims,
- National Risk Index,
- Local records (evidence of repetitive roadway overtopping, stormwater systems are undersized, drainage systems fail during 10-year or greater storms, wastewater systems are repeatedly compromised, etc.)
- Science (such as engineering studies, local hazard mitigation plans, engineering, and structural solutions propounded by FEMA, USACE, other federal and state agencies, etc.)

Priority will be given to areas where contiguous properties are to be used for open space, recreational, natural floodplain functions or where hazard exposure intersects with social vulnerability:

- Contiguous flood-prone parcels,
- Clusters enabling open-space restoration,
- Watershed-scale mitigation opportunities,
- Corridors adjacent to streams, wetlands, or repetitive drainage systems. or;
- Social Vulnerability Index (SVI) exceeds state average;
- LMI populations are disproportionately impacted;
- Residents lack flood insurance access;
- Evacuation constraints exist.

Properties acquired within a Disaster Risk Reduction Area shall be maintained in perpetuity for open space, floodplain management, ecosystem restoration, recreational use, or other disaster risk reduction purposes. SCOR will clearly delineate so that HUD and the public may easily determine which properties are located within the designated area.

To declare a project or property lies within a DRRA, a member of the Mitigation division will present supporting documentation to MSCP for review. The request will include all supporting documentation to determine if the proposed project is in a DRRA. The decision will be documented in a decision memorandum.

BUYOUT PROCESS

Units of Local Government (UGLG) are required to apply directly to SCOR on behalf of their community. If the UGLG application is approved, then SCOR will work directly with property the Owner. While the Buyout will be state-run, there may be times when a member of the Team asks the UGLG point of contact to accept intake or other required documentation from owners, research deed information at the county level, attend Town Halls or other in-person meetings with Owners.

The Buyout will be conducted in two phases. See the chart below for steps included in each phase.

BUYOUT PROJECT APPLICATION

UGLGs in the six HUD MID may apply on behalf of their community during the open application period.
The UGLG application must be complete and should:

- Identify and complete the Targeted Property Card portion of the application for each property to be included in the buyout project. Only properties identified in the Buyout Application will be considered for approval;
- Identify if each property is located in floodplain, floodplain, or DRRA. Provide a copy of the appropriate FEMA FIRM maps. If the properties are not located in the floodplain, the applicant should provide a DRRA determination or request SCOR for determination
- If SCOR is to make DRRA determination, it must be presented to the Mitigation Special Case Panel (MSCP) for review;
- Identify the LMI% of the buyout project area using LMISD Map Application 2016-2020.
- Responsible Entity (RE) must be identified and must acknowledge and accept that a permanent deed restriction will be placed on all buyout properties that prevent future residential or commercial development on the land.
- Provide a project budget.

At the conclusion of the application period, SCOR will conduct an internal evaluation of all applications received to determine whether the proposed projects meet the program eligibility requirements. If the applications are incomplete, or if additional information is required to determine the project eligibility, SCOR will reach out to the applicants to request additional information or clarification as needed.

PROJECT SCORING

The UGLG application will be scored on a maximum of 50 Points using:

Criteria	Maximum Points
• LMI% served using the [LMISD Map Application 2016-2020]()	30
• Flood Risk Reduction	15
• Access to Community Lifeline	5

PROJECT APPROVAL

The SCOR Mitigation Staff will make recommendations based on project application prioritization scores to the SCOR Chief Resilience Officer. The Chief Resilience Officer will have the final authority for the approval of UGLG applications for the Buyout.

The SCOR Mitigation staff will notify all UGLG of the Chief Resilience Officer's decision with regards to its application in writing, to include Award Letter and Resolution within 30 days of project approval.

- The UGLG must sign the Award Letter and Resolution and return it to the Program Manager within 30 days of receipt.

RESPONSIBLE ENTITY (RE)

Under no circumstances will SCOR acquire properties that were purchased through the Buyout. The UGLG must identify a Responsible Entity (RE) that will accept ownership and maintenance of the buyout properties at closing.

- Step One: The UGLG should first consider whether it is willing to be the RE. If not,
- Step Two: UGLG looks to the county or other local governments where the property resides to determine if it will be the RE. If not,
- Step Three: The UGLG should determine if there are any non-profit entities such as land trusts or nature conservancy groups that will accept responsibility for the properties. If no governmental or non-profit groups accept the role of responsible entity, the applicant may reach out to neighboring property owner to determine interest in accepting the RE role. If an RE cannot be identified, the applicant should contact SCOR staff to discuss options.

TARGET PROPERTIES

When identifying target properties for inclusion in the proposed project, the UGLG should consider parcels that will create a contiguous buyout area to the greatest extent possible.

A designated number of parcels permitted within the project area will be determined according to the approved budget.

Due to the voluntary nature of the Buyout, owners may withdraw from the program. In such cases, the Program Manager may "swap in" a parcel from a waiting list. See the Swap-In/ Swap-Out Process.

Illustration of Checkerboard vs. Contiguous Buyouts: The image on the left depicts a checkerboard buyout project in which the buyout parcels are not adjacent on continuous. The center image depicts a buyout project with small groups of contiguous parcels that are not connected to each other. The image on the right shows a contiguous buyout project in which the buyout parcels are all adjacent to one another and located within the same area. Preference will be giving to buyout projects that propose contiguous parcel buyouts like that which is shown on the right.

TOWN HALL MEETING

Within 90 days of the signed Award Letter and Resolution, the Team will schedule an informational Town Hall meeting for owners and residents of the targeted properties. A Town Hall Flyer will be sent via USPS to Owner and residents of non-owner-occupied dwellings, as determined by county records. A copy of the presentation will be available to the Owners of the targeted parties upon request to the Program Coordinator.

Intake Application will be available for Owner to take home, which includes a checklist for required documentation. See Owner Intake for further information.

The Town Hall will be held in a public meeting space within the project area. If Owners are unable to attend, they may request to join virtually. Requests are to be made to the Program Coordinator.

PHASE TWO – OWNER

The Owner is the person(s) listed on the property deed and who may benefit from the Buyout. If there is more than one Owner of the property, all owners are required to complete the Owner Application.

Eligibility

Participation in the Buyout is based on the following criteria:

- Property must be residential, single-family dwelling, or residential parcel located within one of the six (6) counties identified as the HUD MID. (Aiken, Anderson, Greenville, Greenwood, Laurens, or Spartanburg.)
- Properties must be located within a floodway, floodplain, or Disaster Risk Reduction Area (DRRA).
- Owner must be a U.S. Citizen.

LLCs, Corporations, businesses, partnerships, and non-individual entities that own a home(s) or purchased a home(s), the Buyout may request:

- Current and/or past tax return forms;
- C-Corp – Form 1120 to include all forms and schedules;
- S-Corp – Form 1120S to include all forms and schedules;
- Partnership – Form 1065 to include all forms and schedules;
- LLC Owners- Individual tax return Form 1040 to include Schedule C and E.

LLCs, Corporations, businesses, partnerships and non-individual entities will not be considered for the LMI incentive. The moving incentive may be offered if the home was offered as a furnished rental. Proof of furnished rental must be provided.

Prioritization

Eligible properties considered for inclusion in approved buyout projects will be prioritized as follows:

Priority 1:

- Primary Residence (owner-occupied or tenant-occupied)

Priority 2:

- Disaster-damaged, abandoned dwellings
- Vacant Dwellings
- Second Homes

Priority 3:

- Vacant and/or Undeveloped Parcels

Properties Other Than Primary Residence

Heirs' property - Heirs' Property is land and/or improvements that have been passed down through generations without a will, creating shared ownership among multiple descendants. All heirs have legal ownership of the whole property. No one heir has greater rights over the other. All heirs must agree to enter the Buyout and complete an Owner application.

- This property type is not eligible for the Moving or LMI Incentive.

Rental Property - A tenant-occupied property that is verified through a written lease agreement and/or a demonstrable payment history. The Owner/landlord must have a written lease or contract with the tenant or must be able to document a history of rental payments. Additionally, the property must be rented consecutively to one tenant for at least 51% of the year. Eligible tenants will be provided relocation through URA.

- Rental property is not eligible for incentives.

Second Home - A home that is not the primary residence of the owner, tenant, or occupant at the time of the storm or at the time of application for assistance. If the property is not the Owner's primary residence and the Owner spends at least one night a year in the residence, it is considered a second home.

- Second homes are not eligible for any Buyout incentives.

Undeveloped and/or vacant lots - lots that are either unaccompanied by a housing unit or unaccompanied by a second home will be valued on the appraised, post-disaster value.

- This property type is not eligible for incentives.

Tax Sale Purchase

If the tax sale purchase was for a dwelling and is used as a primary residence, either by the Owner or a Tenant, the offer to purchase price will be determined on a post-disaster appraisal. Vacant lots or unoccupied dwellings purchased through a tax-sale are not eligible for a Buyout.

Dwelling Relocation

The Buyout will not pay to relocate or move existing structures from the buyout property. If an Owner would like to relocate their home, they must be responsible for the costs and logistics of moving the structures prior to the purchase of the parcel. The Owner must provide a written notice to the project coordinator that includes:

- Identification of all existing structure(s) to be moved, and all existing structures to remain;
- Address residential structure will be relocated to (new address cannot be in the floodplain);
- Date move of structure will be completed.

The property will be appraised only for the value of the land and any remaining structures.

COMMUNICATION

Owner and Tenant will be assigned to a Project Coordinator and a Case Manager who will be available to work with them throughout the process. The Team will explain the benefits, processes, and requirements, and will be available to answer any case-specific questions. They will also assist the Owner in completing all necessary application documents. For further Tenant related information, please refer to the URA.

All communication with applicants must be uploaded into the System of Record throughout the life of the project. All entries should include appropriate language, describe the nature of the communication, and describe the nature of transmitting documentation. No entries should be negative about the applicants.

If an applicant is rude, vulgar, or offensive on the telephone or in-person, the Team Member is not obligated to continue the conversation. If the applicant is present, the Team Member should notify their Team Lead and/or security immediately to defuse the incident. If the applicant is on the telephone, the Team Member should give the applicant their Team Lead's name and telephone number, as well as immediately notify their Team Lead of the applicant's name, telephone number, and details concerning the incident. The Team Lead should call the applicant as soon as possible, but no later than 24 hours after the initial conversation.

All communication with, or inquiries from, elected officials or the media must be referred to and coordinated with the SCOR Strategic Communications Director. No personnel may make public statements about the Program without first coordinating and clearing such communication with the SCOR Strategic Communications Director. All communication with, or inquiries from, attorneys must be referred to and coordinated with the SCOR Legal Director.

DOCUMENTATION

Owner must submit all required documentation for their application to be complete. Only after all documentation has been received can an application be processed to completion and a final eligibility determination to be made.

The Owner will have two weeks to submit the completed and signed application. All required documentation must be received no later than 30 days after submitting the signed application.

After all required documentation has been received, a review for the following eligibility and benefit determination criteria will be performed:

- Identification
- Citizenship
- Property Location
- Structure type
- Ownership
- Primary Residency
- Income

If Owner does not respond during the above-mentioned timeframe, the application may result in a withdrawn status if any of the following conditions exist:

- Insufficient documentation has been submitted to verify all eligibility requirements.
- An applicant has not been responsive.

Time Extension

Time extensions may be granted on a case-by-case basis. The Owner must request an extension and state why the extension is needed (e.g. Deed is not available and must rely on county to help). The request may be in writing or through a verbal request to the Case Manager and will be stored in the SOR. For verbal requests, the Case Manager will create a memo to the file and store in the SOR.

The Case Manager will present the Project Coordinator with the extension request within two business days of receipt of the request. The Project Coordinator will have one week to approve or deny the extension. The Case Manager will provide the Owner with the decision, via USPS or electronic means, within two business days of the Project Coordinator's decision. The decision will be stored in the SOR.

UNRESPONSIVE OWNER

An Owner may be withdrawn from the Buyout due to not providing required documentation or not responding to communication requests by the Team. Owner is considered unresponsive after three unsuccessful attempts at communication, within one month's time. The Case Manager will send a Notification Letter to the Owner advising communication is required.

The following may prompt withdrawal from the Program:

- Owner supplies insufficient documentation;
- Owner supplies no documentation;
- Owner unresponsive to requests for documents and/or communication.

Withdrawn files will be reviewed on a case-by-case basis to determine reactive status, as applicable. The Program Coordinator will designate the application as withdrawn and include a detailed reason.

A Withdrawal Letter will be generated and sent certified. This letter will include the reason for the withdrawal and the Project Coordinator's contact information. Owner may appeal withdrawal within two weeks of the date of the Withdrawal Letter.

SWAP-IN/SWAP-OUT

A swap-in occurs when a new property replaces a withdrawn property. The withdrawn property status then changes to a swap-out status in the SOR.

WAITLIST

The Project Coordinator will create a waiting list for interested parties who have ownership in property immediately surrounding the Buyout area. Prioritization for the waitlist follows the Buyout prioritization.

An Owner interested in enrolling in the program will be advised of prioritization and the waitlist. If the Owner verbally communicates interest in being placed on a waiting list, the Case Manager will complete an Interest Form on behalf of the Owner during the communication. The Case Manager will then request the Project Coordinator add the Owner to the waiting list.

When an Owner expresses interest via written communication:

- The Case Manager will provide the Interest Form within one week of request via USPS or electronic mail.
- Owner is required to complete, sign, and return to Interest Form to the Case Manager within two weeks of receipt.
- The Case Manager will provide the Interest Form to the Project Coordinator to keep along with the waiting list.

The Program Coordinator will request approval from the RE that they will accept responsibility for the waitlisted property. If approved, upon an available opening:

- The Case Manager will advise the Owner of the opening and send an Intake Application to the Owner via USPS and/or electronic means.
- The Owner will have two weeks to return the completed and signed Application.
    - If the application is not returned with the two-week timeframe, and the Owner does not make contact with any member of the Team, the property will be considered Withdrawn. A Withdrawal Letter will be sent via Certified Mail and a copy stored in the SOR.
- The Owner will have 30 days to return all required documentation to the Case Manager. An extension may be requested for items that are not currently available to the Owner (i.e. Deed). The Owner may request the extension through email, written, or verbal communication to the Case Manager. An

additional extension of 30 days may be granted when the Owner communicates details of why documentation is not available. The Case Manager will record the extension(s) in the SOR.
    - If required documentation is not submitted within the 30 days or extended timeframe, the property will be marked as withdrawn. A Withdrawal Letter will be sent via Certified Mail and a copy stored in the SOR.
- The Project Coordinator will then move to the next eligible interested Owner on the waitlist.

If the RE will not accept responsibility for the property, the Owner will be notified in writing within one week of RE's response. The property will then be removed from the waitlist.

BUYOUT AWARD DETERMINATION

The Buyout award will be based on a Post-Disaster Appraisal valuation and presented through an Offer to Purchase. The Offer to Purchase will include eligible incentives, less any duplication of benefit and will be submitted through a Just Compensation Form which is included in the Offer to Purchase. (See Offer to Purchase for further explanation)

BUYOUT INCENTIVES

SCOR will provide resettlement incentives to encourage relocation to an area with reduced risk of flooding, while not making an Owner worse off financially or in terms of housing quality by participating in the Buyout.

Incentives must be justified and reasonable. Proof of occupancy, ownership, and/or rental in area outside of a floodplain will be required before incentives can be awarded. Proof may be provided through a mortgage commitment, sales contract (showing closing date), lease commitment or signed lease (showing lease dates), or affidavit.

Eligible incentives are available one per household, regardless of number of parcels Owner has in the Buyout.

Exceptions

The following property types are not eligible for incentives:

- Heirs' property
- Rental properties
- Primary residence
- Second Homes
- Vacant parcels/undeveloped parcels
- Heirs' properties
- Tenants are not available for Buyout Incentives as they are served under URA.

RESETTLEMENT INCENTIVES

Moving - $5,000

Eligibility Requirements:

- Owner-occupant/primary residence
- Proof of move is to area outside of floodplain or floodway

Low-to-Moderate Income - $25,000

LMI citizens are classified as those who have an income of 80% or less of the AMI for the county in which they reside.

Eligibility Requirements:

- Household must be LMI
- Owner-occupant/primary residence
- Proof of move is to area outside of floodplain or floodway

INCENTIVE PAYMENTS

Incentive payments will only be provided to qualifying eligible owners:

- At or after the real estate closing for the purchase of the buyout property
- After all supporting documentation is provided to verify eligibility for each incentive
- One time per household, for each eligible incentive.
    - Example The buyout of an owner-occupied primary residence with an LMI household of 4 people will receive one (1) $5,000 moving expense incentive and one (1) $25,000 LMI incentive for a total of $30,000.

OWNER INTAKE

The Team will schedule in-person intake appointments while at the Town Hall event. If the Owner does not attend the Town Hall, the Case Manager will mail the Intake Application via USPS and provide Team contact information.

Owner Intake Application Appointment

Owner will be asked to bring documentation to their scheduled in-person appointment, where a member of the Team can assist in completing the application and verifying required documentation is provided. Virtual appointments are provided at the Owner's request. The Owner will be provided a secure ShareFile link when submitting Personal Identifiable Information (PII) via electronic means.

The Owner must agree to the terms of the Application which include:

- Household Composition
- Tenant Occupancy
- Disaster Assistance Disclosure
- Subrogation Agreement
- Release of Personal Information
- Storage of Confidential Information
- Declaration of Lawful Presence

- Certification of Truthfulness

The application requires the Owner to acknowledge, through signature, false or misleading information provided in the application result in termination in the Program and may be subject to civil or criminal penalties under 18 U.S.C. 2, 287, 1001 and 31 U.S.C. 3729.

Following the appointment, the Team will begin the eligibility review, ensure the application is signed and complete and all required documentation has been provided. When necessary, the Team will request any missing documentation within 30 days of receiving the application. The Owner will have 30 days to provide needed documents (See Documentation for further explanation.)

Special Needs

Applicants who are unable to sign their name may sign with an "X" if there is:

- Third-party witness at the signing;
- Photo identification of the applicant/owner in the file; and
- A proper notarized notation on all documents the applicant signs that address special circumstances.

Accommodations will be made when it is determined that an applicant/owner is out-of-state and unable to attend their signing event appointment or homebound due to disability or illness.

Power of Attorney (POA)

A member of the Team will verify that if the person completing the Intake Application is not the Owner, that person has executed a POA or Communication Designee prior to communicating with third parties or before allowing the alleged POA to make decisions on the owner's behalf.

If the owner has designated someone as their legal representative, as indicated by an executed, notarized Power of Attorney (POA), a copy of the POA must be provided before the designee can make any decisions or complete an application on the owner's behalf. SCOR will maintain a copy of the POA in the system of record.

Communication Designee

Owners can request the Team communicate with a Communication Designee for general communication. The Communication Designee should relay all information from the Team to the Owner or Tenant. Communication Designees do not have the authority to make any decisions or sign any forms on behalf of the owner unless a specific request has been made by the owner to the project coordinator.

Designated Representative

The option for an Owner or Tenant to designate a representative must be in writing and identify any information not authorized to share.

Alternate Contact

The project coordinator may ask the owner(s) to provide information for an Alternate Contact if the Project Coordinator has difficulty contacting the owner. If program staff cannot reach the owner, they may attempt to reach the Alternate Contact and inform them that the program is trying to reach the owner. Information on the owner's application status or other private information will not be shared with the Alternate Contact unless the person is also the Communication Designee.

Required Documentation

The Owner will be required to submit the following:

- Completed and signed Application
- Proof of Identification for all Owners (submit one):
  - State issued Driver's license
  - State issued Identification Card
  - Valid Passport
  - Military ID Card
- Proof of Citizenship (submit one):
  - U.S. Birth Certificate
  - Current U.S. Passport
  - Certificate of Naturalization, Form N-550
  - Additional options as noted on USCIS I-9 Form
- Disaster Assistance Award/Denial Letters, if applicable and available from
  - FEMA
  - NFIP
  - USACE
  - SBA
  - Other assistance, either monetary or in-kind
- Proof of Insurance, if applicable
- Proof of Homeownership may include, but is not limited to, one or more of the following:
  - Deed
  - Life Estate or Trust Ownership
  - Recorded Purchase Agreement
  - Mortgage Documentation or Home Purchase Contract
  - Tax receipts or bills
  - Home Insurance
  - Will or Affidavit of Heirship
  - Tax Bill or receipt
  - Receipts of major repairs completed prior to the disaster
  - Court documents
  - Letter from MHU community owner or public official
  - Self-Certification, or
  - Utility Bills

Alternative ownership documentation process. If an Owner cannot provide a recorded deed or other standard title document, the Case Manager will review one or more of the alternative documents listed above and document the efforts made to verify the claimed ownership interest. The evidence must be sufficient, when considered as a whole, to establish the Owner's interest and authority to participate. SCOR may require affidavits, additional corroborating records, consent from other persons with an ownership interest, a title review, or legal review. Self-certification may be accepted when other documentation is not reasonably available, and the file explains the basis for acceptance. Acceptance for application review does not waive the requirement to establish marketable title or satisfy closing requirements before acquisition.

- Proof of Primary Residence during the disaster, if applicable:
  - Submit one from List A or two from List B:
    - List A
      - Income Tax Return
      - Property Tax Homestead Exemption
    - List B
      - Utility Bill
      - Vehicle Registration
      - Government Benefits Letter
- Proof of Taxable Income for all household members 18 years or older through the most recent Income Tax Return. If Tax Return was not filed, then provide all that apply from the following:
  - Current Year W2 & 1099
  - Former Year W2 & 1099
  - Three most recent consecutive paystubs
  - Current Benefit Letter (Social Security, Veteran Administration)
  - Pension/Annuity Benefit Letter
  - Unemployment Award Letter
- If the property is used as a rental property, Owner must also provide:
  - Completed Tenant Survey (located within the Owner Application)
  - Written lease and/or verified rental payments from the tenant
- Photos of damage caused by disaster, if available

Income Verification

The Buyout will utilize the most current tax return forms for each adult household member to determine the taxable income of the household. If a household member is not required to file, has filed an extension, has zero income, or is unable to file a tax return, alternative methods to calculate and certify income may be used. When a household member has filed a tax return but does not have proof, the program may request that the applicant obtain a copy of their 1040 transcript.

Homeowners are responsible for advising SCOR of any household or financial changes while participating the in the program. SCOR will verify household and financial changes on a yearly basis.

If household members 18 years or older are not employed and do not provide proof of taxable income, a No Income Affidavit will be required. Income verification will be requested on a yearly basis.

Low to Moderate Income (LMI) for individual citizens is determined by using the Adjusted Gross Income (AGI) from the 1040 tax form.

Household Income

A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two or more families living together, or any other group of related or unrelated persons who share living arrangements. Household members are all persons (minors and adults) who are living in the damaged home. The test of meeting the LMI objective is based on the total adjusted gross income of all the household members.

- The Program will use the following rules to determine the income of household members to be included in the household income calculation: Minors - Earned income of minors, including foster children (under 18) is not counted. Unearned income attributable to a minor is included in the household income calculation (Examples include payments from trusts, stocks, bonds, etc. if the payments are taxable at the Federal level).
- The income of temporarily absent family members is counted in the annual income, regardless of the amount the absent member contributes to the household. Temporarily absent family members are also counted as a member of the household when determining the household size.
- In situations where family members are permanently absent such as when a spouse is in a nursing home, the head of household has the choice of excluding the individual in the household composition, as well as any taxable income they receive. However, if the absent family member is included in the household composition, the taxable income must also be included in the total household income calculation.
- In the event that one of the following special circumstances applies, the income of the referenced individuals will be excluded from the total household income calculation:
    - Persons who are temporarily living with the applicant.
    - Persons who are employed by the household as a live-in aide and/or are a child of that aide. Note: A live-in aide/caregiver that is related does not qualify. In such cases, their income will be included in the total household income calculation and the live-in aide, and any child of the aide will be included in the total household composition.
    - If an applicant is married and their spouse is absent from the household, the income of the absent spouse will not be included in the total household income if documentation of a separate residence for the absent spouse is provided.

Authorization to Contact Third Parties

The Owner explicitly allows the Program to request of any company with which the Owner(s) held policies or FEMA or SBA, any non-public or confidential information needed by the Program to monitor/enforce its interest in the rights assigned to it under the Consent and Release Agreement in the Intake Application, and to give the Owner(s) consent to such company to release said information to the Buyout Program.

Applicants with MORTGAGE

Owners with existing mortgages will be required to satisfy their mortgage with their mortgage provider prior to closing or at the purchase (closing) of the property. The funds provided to buy the owner's property under the program may be used to satisfy the mortgage and/or any other liens if sufficient to cover the amount of the liens.

Applicants with Negative Equity on Mortgage

The buyout program may assist Owner who owes more on their mortgage than their house is worth, also known as negative equity mortgage or being underwater on their mortgage, but assistance amounts are capped at the maximum total buyout assistance amount.

Assistance will only be provided if assistance will allow the household to move from the at-risk home to an area of reduced flood risk. The MSCP will review such situations on a case-by-case basis and provide final determination.

Applicants with Reverse Mortgage

The Buyout may assist applicants who have a reverse mortgage, but assistance amounts are capped at the maximum total buyout assistance amount. Assistance will only be provided if the assistance will allow the household to pay off the reverse mortgage and move from the at-risk home to an area of reduced flood risk. The Mitigation Special Case Panel will review such situations on a case by-case basis and provide final determination. Applicants in Foreclosure Applicants currently in foreclosure may not be provided buyout assistance.

Foreclosure

Owner in foreclosure may not be provided buyout assistance.

Contract for Deed/Land Leases/Mobile Homes

Properties where there is a different owner of the land than the owner of the dwelling unit(s), such as in Contracts for Deed, long-term land leases, and often with mobile homes, may be assisted through the Buyout only if the Owner converts the contract to full ownership. SCOR reserves the right to review each application on a case-by-case basis through the MSCP.

PROJECT START UP AND ENVIRONMENTAL REVIEW

Following project approval, the Project Coordinator will set up a project kick-off meeting between the SCOR Mitigation staff and the UGLG staff. In the kick-off meeting, the Team will review the Buyout requirements and processes, including all environmental requirements.

The environmental review will be the first deliverable for each buyout project and must be completed in accordance with HUD requirements per 24 CFR Part 58. The Buyout Program Manager, along with the Environmental Program Manager, will determine whether procurement of professional services is required to complete the environmental review.

Any money spent on choice-limiting actions prior to the completion of the environmental review will not be reimbursed with CDBG-MIT funds. Additionally, undertaking choice-limiting actions prior to the completion of the environmental review may result in a Finding of Significant Impact and could result in a project that is ineligible for CDBG-MIT funding.

Environmental

Once the scope of the mitigation project has been defined, the appropriate level of environmental review can be determined. The HUD Environmental Review Procedures are outlined in 24 CFR Part 58 and other compliance requirements are outlined in their Environmental Criteria and Standards at 24 CFR Part 51.
Upon completion of the environmental review and required public notices, SCOR will submit the Request for Release of Funds (HUD form 7015.15) to HUD. Following receipt of the RROF, HUD will hold a public comment period before approving the use of HUD assistance through the Authority to Use Grant Funds (AUGF) (HUD form 7015.16).

The environmental review must be completed prior to any commitment of CDBG-DR funds. The environmental review is considered complete once HUD has issued an Authorization to Use Grant Funds (AUGF) for the project.

Any money spent on choice-limiting actions prior to the completion of the environmental review will not be reimbursed with CDBG-DR funds. Additionally, undertaking choice-limiting actions prior to the completion of the environmental review may result in a Finding of Significant Impact and could result in a project that is ineligible for CDBG-DR funding. If an applicant has taken a choice-limiting action on an approved project prior to HUD issuance of AUGF, the applicant must contact the SCOR Mitigation Program Manager immediately for guidance.

Tier II

Where a tiered environmental review approach is used for the Buyout, a Tier II review will be initiated once it has been determined that the subject property and the Owner are deemed eligible for the Buyout. The Tier II reviews will be achieved through application review desktop research, direct field observation inspection, and agency coordination/consultation, as necessary. Reviews will be documented through the Environmental Review Records. Any resultant implementation conditions resulting from the environmental review will become part of the project contracts and/or agreements.

SCOR will need to access Owner property during the direct field observation. The inspection will not include a need to enter a dwelling. The Case Manager will notify Owner prior to the field inspection.

The Tier II Review will:

- Evaluate the remaining issues based on the policies established in the broad-level Tier I review as individual sites are selected for review.
- Complete the Site-Specific Checklist

Environmental Assessment

All project activities that are not covered under a categorical exclusion or exemption must complete an Environmental Assessment. In addition to compliance with the laws and authorities at 24 CFR 50.4 or 24 CFR 58.6 and 58.5 (also known as the Statutory Checklist), environmental assessments must consider an array of additional potential impacts of the project. This resource lists the additional environmental assessment factors and National Environmental Policy Act (NEPA) analysis that would be required of an environmental assessment for HUD-assisted projects. It is expected that CDBG-MIT funded Infrastructure projects and CDBG-MIT funded buyouts that cannot use the Tiered Review process will require an Environmental Assessment level review.

PROCUREMENT FOR PROJECT RELATED ACTIVITIES

SCOR follows South Carolina's procurement policies with the requirements set forth under 2 CFR 200.318 200.36 ensuring fair and open competition. The full set of South Carolina procurement processes and the laws and regulations applicable thereto can be located at http://procurement.sc.gov/legal/procurement law. SCOR's CDBG-MIT Action Plan lays out further detail on how it executes procurement.

APPRAISALS

The Offer to Purchase for each property is determined, in part, on a post-disaster appraised value. Appraisals will be performed by a third-party appraiser licensed in South Carolina, and in conformity with the Uniform Relocation Act. In areas of an increasing housing market, the appraisal must be carried out within 120 days or less of the Purchase to Offer.

Post-Disaster Value

SCOR will use a post-disaster valuation method for determining the base purchase price of the property.

Exceptions:

- If the post-disaster value is less than the Owner purchase price, in order to keep the owner whole, the Offer to Purchase price may be based on the original purchase price plus any documented improvements. In the event the purchase price was minimal due to a deed transfer through love and affection, the base offer to purchase price may be based on highest value using comparable sales in the neighborhood/surrounding area or county assessed value.
- Undeveloped or vacant lots may not require an appraised value when:
    a. Lots with similar characteristics and there is stable growth in project area.
- Appraised values for the first three lots coming into the project will be evaluated. If valuations are the same, no further appraisals need to be obtained. Values of vacant lots/and or undeveloped property of the same size can instead be used for comparison.
- When dwelling has not been occupied after purchase (see Undeveloped or Vacant Lots for further explanation)
- If appraisal exceeds the established maximum assistance limit, the Owner may receive more than the established limit. Such cases will be evaluated on a case-by-case basis and a final determination made by the Mitigation Special Case Panel.

Exceptions are reviewed on a case-by-case basis.
Owner has a right to request appraisal if one is not provided.

Appraisal Appeal

When the Owner believes the appraisal is unjust, they may appeal the appraisal. The appealed appraisal will be at the Owner's expense and must be conducted by a third-party South Carolina-licensed appraiser.

Owner should make a written request to the Project Coordinator to appeal. The Project Coordinator will discuss the parameters that should be used for the appraisal. The date of appraisal must be the same date as the original SCOR appraisal.

If the two appraisals are within 10% of each other, the appraised value will be considered the average of the two appraisals.

> For example: The SCOR appraisal determines the value of the property is $150,000. The Owner appraisal determines the value of the property is $160,000. The Program Manager will review the appeal. If the documentation is found to be complete and the appeal to be just, the Owner may be offered an appraised value of $155,000.

If the second appraisal is greater than 10% of the first appraisal, the case will be presented to MSCP. The Project Coordinator will submit the appeal, supporting documentation, and a recommendation on how to move forward.

OFFER TO PURCHASE

The Offer to Purchase is based on the post-disaster appraised value of the property plus any eligible incentives, less any duplication of benefits. Owner will have 30 days to review the offer and submit any questions or appeals to SCOR. Questions or appeal requests should be submitted in writing to the Project Coordinator. (See Appeal for further explanation)

Offer to Purchase Meeting

The Program Coordinator will schedule an offer meeting with the Owner once eligibility has been determined. The meeting will be held in-person, unless the Owner lives out of state or prefers to meet virtually. During the meeting, the following documents will be presented:

- Statement of Meeting Attendance
- Offer Letter
- Determination of Just Compensation
- Subrogation Agreement
- Contract for Sale of Real Estate
- Statement of Voluntary Participation
- Non-Participation Form
- Pre-Closing Lien Disclosure Worksheet
- Appeals Process
- Frequently Asked Question Flyer
- S.C. Legal Services General Brochure

Offer to Purchase Contract

The Owner will enter into an agreement with SCOR and the Responsible Entity acquiring the land to confirm that they will participate in the Buyout. This is represented by the purchase contract.

Properties listed for sale by the Owner must be removed from the market prior to signing the purchase contract. SCOR may request documentation to verify the listing has expired or been released by the selling agent prior to closing.

If Owner is unable to complete the Offer to Purchase documents, which includes the purchase contract, the Offer to Purchase will expire after 30 days. If the Owner has remained active during the 30 days, the Purchase Contract may be extended. If in the 30 days, the Owner has not responded to communication, the Purchase Contract will expire. The Owner may appeal the decision to reopen the case. All determinations will be recorded in the SOR.

If Owner withdraws from the Buyout but wishes to reenter at a later date, the case will need to be presented to the Mitigation Special Case Panel. Determination will be based on number of openings and remaining budget in the Buyout. If an Offer to Purchase was presented prior to the time of withdrawal, the Offer to Purchase will remain as originally presented.

ACCEPTING CONTRACT

After Owner has accepted the Offer to Purchase, the Project Coordinator will submit the Contract for Sale to the Responsible Entity for signature. Upon receipt of a fully executed Contract, the Program Coordinator will request a boundary survey from the procured surveyor and forward the Offer to Purchase packet to the closing attorney, signaling the request for the title search.

The Owner and closing attorney work together to schedule a closing date to commence after the boundary survey has been recorded with county and the closing attorney has issued a title commitment. A binding contract triggers the ION for URA (See URA for further details.)

OWNER CONCERNS, REQUESTS, SUGGESTIONS, AND APPEALS

During the course of the operations, eligibility decisions will be made on income, appraised values, and incentives. These decisions will be made based on applicable statutes, codes of federal regulation, state, and local codes and ordinances, local guidelines, and Buyout operational procedures, as each is interpreted by SCOR.

During the course of these activities, it is possible that citizens may decide they have a legitimate concern, request, or suggestion. They may believe they have a legitimate reason to appeal a decision. In order to allow for such circumstances, Owner is allowed the opportunity to communicate their concerns, requests, and suggestions; and appeal decisions related to the following:

- Eligibility determination;
- Offer to Purchase determination;
- Duplication of Benefit;
- Incentive;
- Appraised Value

Appeals should be submitted via email to the Project Coordinator. All appeals received will be reviewed on a case-by-case basis and submitted to the Mitigation Special Case Panel for final determination. Owner will be verbally notified or in writing within one week of the MSCP decision.

CLOSING

Scheduling

After the Offer to Purchase contract has been fully executed, the real estate closing should be scheduled within 90 days. The Owner and closing attorney will work together to establish the closing date. Concurrently, the Project Coordinator will request the closing attorney begin the title search and will also request a boundary survey from a state-procured surveyor. Delays in closing due to the title search or recorded survey will be noted.

The closing should not extend past four months of the signed Contract. If an Owner requires additional time to close, a written extension should be requested.

The Project Manager will review the extension and make a written determination within two weeks after receiving the request. The determination will be sent via USPS or electronic means and stored in the SOR. If property is a rental, this timeline may need to be extended. See URA for further explanation.

SCOR will provide the total buyout purchase price amount, including any eligible incentives, to the closing attorney who will hold the payment in trust until closing. Any amount owed on mortgages or other liens will be paid by the closing attorney. Any remaining funds will be provided to the Owner by the closing attorney at or after closing.

Title Search

A title search of the property's land records and assessor records of the county in which the subject property is located will be performed for each buyout property. The title report will indicate all current owners, any parties with an interest in the subject property, and all opened and un-cancelled liens, mortgages, deeds of trust, judgments, easements, adverse inscriptions, or other encumbrances, and property tax history, and amount or current status.

If the property title is not vested in the Owner, or there is an obstacle that prevents clean, merchantable, and insurable title, actions will need to be taken to fix the identified issues. SCOR will work with the Owner to assist in obtaining a clear title, when and if possible.

Boundary Surveys

SCOR will request a boundary survey to determine the legal boundaries of each property prior to closing the property. The survey will verify the legal boundaries of the property to ensure there are no conflicts within the legal records. If the survey identifies an encumbrance on the subject property, it must be curable by the Owner, or the property may be ineligible for buyout.

The Mitigation Special Case Panel will evaluate issues identified in boundary surveys on a case-by-case basis to determine whether the issues may be resolved or result in ineligibility for the Buyout.

Pre-Closing Inspection (PCI)

Owner/Tenant/Occupant must vacate and remove all personal property from the dwelling unit and/or parcel no later than four (4) hours prior to closing. The Case Manager will coordinate the PCI with the Owner and the PCI Inspector. The PCI inspector may be the SCOR Compliance Team, a member of the Buyout Team, or an UGLG representative. A PCI worksheet will be completed and photographs taken to document property is vacant. Homes that have been damaged due to disaster and are no longer habitable may not require a PCI inspection.

All utilities should be turned off and disconnected no later than four hours prior to closing. SCOR, or the UGLG, will conduct a site inspection to ensure the property has been vacated and all utilities have been shut off and disconnected. If the property is occupied, the closing will be delayed and SCOR reserves the right to withdraw the Offer to Purchase. If utilities have not been disconnected at the time of closing, they must be disconnected before demolition.

Any personal property remaining after closing will be included in the demolition. Homes that are deemed unhabitable and documented as such through photographic evidence do not require a PCI.

Closing Process

The closing attorney will be responsible for the closing of the property. The Applicant may elect to use an attorney of their choice, at their own expense.

Document Execution at Closing:

- Settlement Statement
- Deeds (to include deed restrictions)
- Other closing documents as required

PROPERTY AFTER CLOSING

Copies of the executed closing documents will be stored in the SOR.
The attorney files the appropriate deed and restrictive covenant with the Clerk of Court or Register of Deeds (as applicable) in the county in which the property is situated. A covenant will be placed on the property being acquired to maintain it as open space in perpetuity.

The identified Responsible Entity (RE) receiving the deed-restricted property is responsible for the maintenance of the property in accordance with any local, state, and federal environmental laws, rules, and regulations. Additionally, the RE must ensure that no development occurs on the property that violates the deed restriction in place.

SCOR will complete close out reviews for Owners, Tenants, and the completed buyout project. The closeout reviews will be uploaded in the SOR.

ASBESTOS TESTING

When required, an asbestos survey and lead-based paint inspection will be performed by a certified inspector in accordance with South Carolina requirements. For information on state regulations, refer to the SC DES Air Quality Bureau Asbestos Regulations website. A copy of the inspector's certification must be attached to the asbestos inspection results and must have been current at the time of inspection. For additional information on asbestos and LBP testing of buyout properties, refer to the Environmental section of this manual.

Removal of hazardous materials must follow regulatory guidelines.

Asbestos testing will be requested after the real estate closing but prior to demolition. Properties identified as containing ACM, requiring air monitoring and/or a project design will be identified in the Demolition Project Manual. Copies of ACM reports will be kept in the SOR.

DEMOLITION AND SITE STABILIZATION

SCOR will oversee and procure all services related to demolition.
Once the property is acquired and all necessary documents have been signed, completed, and appropriately filed, the Responsible Entity should place "No Trespassing" signs on the site and must secure all entries to the residence until the time of demolition, either through boarding or padlocking exterior doors.

The demolition is to be conducted in accordance with the Office of State Engineer's guidelines, Project Manual, Design Plans, C-SWPPP and Section 3 for each project area. Generally, all structures and impervious surfaces will be demolished, including piers, tie downs and footers, and all piping for septic drain fields, piping for electrical lines and around all pools. All buildings, garages, car ports, sheds, fences, fence posts, porches, decks, steps, walks, curbs, patios, impervious drives, and any other frame or masonry structures must be removed. Wells must be capped, well pump and all associated well piping must be removed. Existing in-ground pools and underground storage tanks (USTs) must be removed and properly disposed of, unless removal would result in adverse environmental impacts. In such cases, the demolition plan must be reviewed and approved by SCOR's Certifying Environmental Officer prior to bidding of the work. All rubbish, debris, abandoned vehicles, etc. within the property line boundaries of the parcel to be demolished must be removed and disposed of properly. No impervious surface may remain on the site unless approved by SCOR's Certifying Environmental Officer prior to completion of the demolition. No demolished material may be buried within or remain on the site.

Photographic evidence of the demolition process will be documented in the System of Record. Following demolition, the property will be graded and seeded to stabilize the site. A final inspection will be scheduled between the contractor, the State, and the responsibility entity to ensure the demolition is compliant prior to property turn over.

If lot appears to have settled/sunk, then the demolition contractor will return to stabilize the soils. Final grade shall not direct precipitation runoff toward adjacent or nearby homes. Final grade shall not unreasonably increase the volume or velocity of runoff. Final grade shall generally direct runoff to nearest existing stormwater system or natural watercourse.

A substantial completion on-site walkthrough will be performed

Buyout demolition sites are exempt from the Office of State Engineer (OSE) Chapter 7.25 One-Year Corrective Work Period.

SCOR will also follow the guidance laid out in Section 3.

Pre-Demolition

A pre-demolition inspection must be conducted within 48-hrs of the commencement of demolition to confirm that the property is vacant, and all utilities have been turned off and disconnected. Detailed photographs of the site must be recorded in the project file in the SOR prior to demolition. Any additional hazards should be identified and documented in the file. This includes any fire hazards or public health concerns. If environmental hazards such as asbestos or LBP are identified, then the demolition process must comply with applicable federal environmental and SC DES regulations for demolition involving such materials. The contractor will be responsible for obtaining required demolition permits.

Notice to Proceed

Contractor may not begin demolition until a Notice to Proceed has been issued.

Utility Site Walk-Through

Prior to demolition, the demolition contractor will be required to coordinate with the applicable county to identify and make safe utilities to the property. This includes:

- Marking easements and underground utilities
- Removing utility meters
- Capping wells, water, sewer, and septic lines to the mains; and/or
- Disconnecting electrical and gas service and propane tanks

Substantial and final completion

After completion of ground disturbing and site-stabilization activities, a substantial completion inspection will be performed. Following substantial completion, a final completion site inspection will be performed. Final site stabilization will be considered complete once either of the following have been met:

- Perennial vegetative cover with a density of 70% of native background vegetative cover has been established on all unpaved areas and areas not covered by permanent structures; or
- Equivalent permanent measures (riprap, gabions, or geotextiles) have been employed.

Future maintenance of the site is the sole responsibility of the Responsible Entity or its designee.

Demolition Records

All demolition-related documents must be captured and retained in the SOR. Records include photo documentation of the process before, during, and post-demolition. Once lot grading and seeding has been complete, a demolition inspection will be conducted to verify quality and confirm that the process has been completed. Post-demolition photos will be taken and stored in the SOR.

POST FINAL COMPLETION

The Responsible Entity will take ownership of the property and will be responsible for the maintenance of the property. The RE must ensure that no development occurs on the property that violates the deed restriction in place. SCOR will complete close out reviews for tenants, beneficiaries, and the completed buyout project. The close out reviews will be uploaded into the system of record.

CLOSEOUT

The closeout process is designed to ensure all CDBG-DR activities are completed and funds are expended in accordance with either the subrecipient agreement, contracted vendor agreement, program rules, and state and federal requirements. (See MIT Set-Aside CLOSEOUT for further explanation.)

Once property has been demolished and/or met final completion, the file will be marked as Demolished, indicating file is closed.

DUPLICATION OF BENEFIT (DOB)

For voluntary buyout activities:

- Post-disaster acquisitions shall be reduced by duplicative assistance received for the same property purpose;
- Demolition and clearance costs may be separately evaluated;
- Mitigation incentives, when authorized by HUD, shall not automatically constitute DOB; and acquisition funds shall be coordinated with other federal and state funding to avoid duplication.

SCOR will review records using the most recent data from FEMA, the Small Business Administration (SBA), insurers, and any other sources of local, state and federal sources to verify any assistance an Owner received related to the disaster. Screenshots of database searches will be saved in the system of record.

Homeowners are **not** penalized for funds spent on a different purpose. If a homeowner receives a $20,000 insurance check but proves through receipts/inspections that they spent it on intermediate roof repairs to keep the home habitable, that amount is considered spent on a *different temporary purpose* and will **not** reduce their buyout purchase price.

For each Owner, SCOR will identify and document the purpose for which prior assistance was provided and how the Owner used that assistance. Amounts provided for a different purpose, or for the same purpose but used for a different allowable cost, may be excluded only when supported by receipts, inspections, lender documentation, payment records, or other reliable evidence. Unused amounts available for the same purpose as the CDBG-DR buyout will be treated as duplicative and deducted from the award or remitted to SCOR at closing, as applicable. The DOB Worksheet in Appendix 19 will document the analysis.

FORCED MORTGAGE PAYOFF

In the event the Owner's mortgage requires any insurance proceeds to be applied to reduce the lien balance, the mortgage holder (not the Owner) is considered to have legal control over those funds making the homeowner legally obligated to use insurance proceeds for that purpose. Under these circumstances, the amount of the insurance proceeds required by the mortgage company to be applied to the mortgage balance will be excluded from the DOB calculation. To be considered for exclusion, the applicant must provide a copy of the correspondence or letter from the mortgage company on company letterhead and signed by an authorized representative stating the applicant was required to use the disaster assistance funds for this purpose. This will demonstrate they were required to apply the insurance proceeds to their mortgage balance. SCOR will verify the correspondence/letter is on mortgage company letterhead, includes the damage address, and lists the amount forced to pay off the principal. The amount of involuntary payoff will reduce the amount of DOB.

FRAUD, WASTE, AND ABUSE

If a DOB is identified and the Owner was a victim of contractor fraud, the amount paid to the contractor will not be counted as a DOB. The following documentation is required to allow SCOR to determine if any amount paid to a Contractor can be excluded in the DOB calculation:

- Police report or complaint dated before the date of the application
- Proof of cancelled check (if applicable)
- Bank statement reflecting payment (if applicable)
- Contract between applicant and contractor, if applicable

Reported Contractor fraud will be verified through review of the police report and complaint. If no amount is included in the complaint, the Owner will complete an affidavit to accompany the complaint that lists an amount to reduce the DOB total. In scenarios where a police report, complaint, or contract, are not available, information provided by the applicant will be reviewed on a case-by-case basis.

MINIMIZING DISPLACEMENT AND RELOCATION

To ensure compliance with Section 504 of the Rehabilitation Act of 1973, SCOR will provide individuals with disabilities meaningful access to our program. Therefore, SCOR staff will ensure that advisory relocation services and all implementations of the URA requirements, including communication methods and forms, are accessible to all individuals with disabilities. Additionally, SCOR staff will identify tenants who have difficulty speaking, reading, writing, or understanding English and will assist in the form of sign language, braille, interpreters who translates to and from the person's primary language, translation of all program documents, etc. as applicable or required. Universal Notice III.A2.a.

Planning & Development for Relocation Activities

For planning purposes, SCOR will use the following, as applicable:

- Number of targeted properties identified as rental units by UGLG
- Review of applicable county records distinguishing properties at a 4% tax rate (owner-occupied) versus a 6% tax rate (not owner-occupied):

- Review of Owner's Intake Application regarding tenants;
- Tenant Interviews (in-person, virtually, or telephone communication)

SCOR will identify the needs of potentially displaced persons through available site visits, tenant and owner interviews, or individual briefings, review of accessibility and language needs, and coordination with the UGLG. Relocation planning will account for local housing market conditions, acquisition costs, replacement housing and moving payments, temporary or last resort housing, when necessary, accessibility modifications, advisory services, inspections, legal or appraisal services, and other professional services needed to complete relocation in compliance with the URA and Section 104(d).

Metrics used in budget development:

- UGLG budget (included with application)
- UGLG leverage funds, if applicable
- Properties identified by UGLG
    - Number of total targeted properties
        - Number of targeted properties identified as owner-occupied
        - Number of targeted properties identified as not owner-occupied and/or rental
- County records to identify owner-occupied v. not owner-occupied
- LMI % of project area determined through HUD's LMISD
- Costs related to acquisition of targeted properties
    - Post-Disaster Valuation
    - Incentives
    - Procurement of professional services such as, but not limited to, appraisal, surveying, engineering, asbestos testing, asbestos air monitoring and abatement, demolition, and environmental.
    - URA relocation services (rental assistance, HLR, moving reimbursement)

Residential Anti-Displacement and Relocation Assistance Plan (RARAP)

SCOR has developed a RARAP which can be located at scor.sc.gov/Helene-CDBG-DR.

Optional Relocation

The regulations at 24 CFR 570.606(d) are waived to the extent that they require optional relocation policies to be established at the grantee level. SCOR will follow requirements under URA.

SECTION 104(d)

The relocation assistance requirements at section 104(d)(2)(A)(iii) and 104(d)(2)(B) of the HCDA and 24 CFR 42.350, are waived. This waiver limits the types and amount of relocation assistance a section 104(d) displaced person, as defined under 24 CFR 42.305, is eligible to receive. The relocation assistance will now align with the types and amounts provided under the URA and implementing regulations at 49 CFR part 24.

One-for-One Replacement

All occupied and vacant occupiable lower-income dwelling units that are demolished or converted to a use other than lower-income dwelling units in connection with a CDBG-DR assisted activity must be replaced with comparable lower-income dwelling units in compliance with 24 CFR 42.375.

Lower-income dwelling unit means a dwelling unit with a market rent (including utility costs) that does not exceed the applicable Fair Market Rent (FMR) for existing housing established under 24 CFR part 888. The lower-income dwelling units are units that are under a public housing authority or used as a Section 8 or similar unit.

SCOR will confirm with Owner-Landlord if dwelling unit is considered a lower-income dwelling unit. For units confirmed as lower-income dwelling:

Identify acceptable replacement units. Replacement lower-income dwelling units may be provided by any government agency or private developer and must meet the following requirements:

(1) The units must be located within the recipient's jurisdiction. To the extent feasible and consistent with other statutory priorities, the units shall be located within the same neighborhood as the units replaced.

(2) The units must be sufficient in number and size to house no fewer than the number of occupants who could have been housed in the units that are demolished or converted. The number of occupants who could have been housed in units shall be determined in accordance with applicable local housing occupancy codes. The recipient may not replace those units with smaller units (e.g., a 2-bedroom unit with two 1-bedroom units), unless the recipient has provided the information required under paragraph (c)(7) of this section.

(3) The units must be provided in standard condition. Replacement lower-income dwelling units may include units that have been raised to standard from substandard condition if:

(i) No person was displaced from the unit (see definition of "displaced person" in § 42.305); and

(ii) The unit was vacant for at least 3 months before execution of the agreement between the recipient and the property owner.

(4) The units must initially be made available for occupancy at any time during the period beginning 1 year before the recipient makes public the information required under paragraph (d) of this section and ending 3 years after the commencement of the demolition or rehabilitation related to the conversion.

(5) The units must be designed to remain lower-income dwelling units for at least 10 years from the date of initial occupancy. Replacement lower-income dwelling units may include, but are not limited to, public housing or existing housing receiving Section 8 project-based assistance.

Preliminary information to be made public. Before the recipient enters into a contract committing it to provide funds under programs covered by this subpart for any activity that will directly result in the demolition of lower-income dwelling units or the conversion of lower-income dwelling units to another use, the recipient must make public, and submit in writing to the HUD field office (or State, in the case of a unit of general local government funded by the State), the following information:

(1) A description of the proposed assisted activity;

(2) The location on a map and number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for lower-income dwelling units as a direct result of the

assisted activity;

(3) A time schedule for the commencement and completion of the demolition or conversion;

(4) The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units. If such data are not available at the time of the general submission, the submission shall identify the general location on an area map and the approximate number of dwelling units by size, and information identifying the specific location and number of dwelling units by size shall be submitted and disclosed to the public as soon as it is available;

(5) The source of funding and a time schedule for the provision of replacement dwelling units;

(6) The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and

(7) Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units) is consistent with the needs assessment contained in its HUD-approved consolidated plan. A unit of general local government funded by the State that is not required to submit a consolidated plan to HUD must make public information demonstrating that the proposed replacement is consistent with the housing needs of lower-income households in the jurisdiction.

The below Summary Performance Report will be used for tracking replacement units.

One-for-One Replacement Summary Performance Report

Part I: Low/Mod Housing Units Demolished/Converted									Part II: Replacement Units							
a. Activity Number	b. Activity Address	c. Date of Agreement	d. Number of Units by Bedroom Size that were demolished/converted					Total	e. Replacement Address	f. Date Unit Available	g. Number of Units by Bedroom Size					Total
			0/1	2	3	4	5+				0/1	2	3	4	5+	

SCOR is requesting a One-for-One Waiver.

LUMP SUM RENTAL ASSISTANCE FOR RESIDENTIAL TENANTS

The 92 requirements of 42 U.S.C. 3537(c) are waived to the extent necessary to permit a grantee to make lump-sum relocation rental assistance payments to displaced residential tenants. Waiving this requirement allows grantees to provide lump sum rental assistance payments to displaced residential tenants, thereby reducing grantees' administrative burden of disbursing installment payments, in addition to accelerating the availability of the rental assistance, to displaced disaster survivors. See URA for further details.

VOLUNTARY ACQUISITION—HOMEBUYER PRIMARY RESIDENCE PURCHASE

For CDBG-DR, 49 CFR 24.101(b)(2), as it may be amended, is waived to the extent that it applies to a homebuyer, who does not have the power of eminent domain, and uses CDBG-DR funds in connection with the voluntary purchase and occupancy of a home the homebuyer intends to make their primary residence.

Tenants displaced by voluntary acquisitions may be eligible for relocation assistance. See URA for further details.

WAIVER OF SECTION 414 OF THE STAFFORD ACT

Section 414 of the Stafford Act and its implementing regulation at 49 CFR 24.403(d)(1) are waived to the extent that they would apply to real property acquisition, rehabilitation, or demolition of real property undertaken by a grantee or subrecipient for a CDBG-DR funded project commencing more than one year after the date of the latest applicable Presidentially declared disaster, provided that the project was not planned, approved, or otherwise underway before the disaster.

For purposes of this waiver, a CDBG-DR funded project shall be determined to have commenced on the earliest of: (1) the date of an approved RROF and certification; (2) the date of completion of the site-specific review when a program utilizes tiering; or (3) the date of sign-off by the approving official when a project converts to exempt under 24 CFR 58.34(a)(12).

This waiver does not apply to persons that meet the occupancy requirements to receive a replacement housing payment under the URA, nor does it apply to persons displaced or relocated temporarily by other HUD-funded programs or projects. Such persons' eligibility for relocation assistance and payments under the URA is not impacted by this waiver.

PROCEDURES FOR INFRASTRUCTURE PROGRAM ACTIVITY

INFRASTRUCTURE PROGRAM OVERVIEW

The Infrastructure CDBG-DR Mitigation Infrastructure activity encompasses the identification, design, permitting and construction of infrastructure projects as detailed in the approved Action Plan. All infrastructure projects will be managed by the SCOR (State-Run) or by a qualified Subrecipient (Subrecipient-Run).

SCOR recognizes that as part of a comprehensive Mitigation-Set Aside Program, the repair and enhancements of infrastructure are crucial components. The unmet needs assessment determined that there is a critical need for infrastructure improvements across the MID counties, which are vital for the long-term viability of communities.

SCOR has allocated $10,000,000.00 of the CDBG-DR mitigation set aside to complete stormwater infrastructure projects that will reduce or prevent impacts from future surface and/or riverine flood events in the six HUD-identified most impacted and distressed counties.

INFRASTRUCTURE PROGRAM OBJECTIVES

The objective of the CDBG-DR Mitigation Infrastructure program is to increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future flood disasters. The program will reduce the risk of property damage and the risk of impacts to human health and safety through the following:

- Facilitate eligible stormwater infrastructure improvement projects that reduce or eliminate risks of

future riverine and/or surface flooding;
- Achieve flood protection for a 25-year, 24-hour storm or greater, where feasible;
- Utilize a combination of grey and green infrastructure improvements to achieve flood protection goals while simultaneously provided water quality benefits, ecological improvements, and other co-benefits associated with nature-based stormwater solutions; and
- Comply with goals, requirements, and/or objectives outlined in local, regional and/or statewide plans established to reduce future risk to the jurisdiction.

It is not anticipated that any projects awarded under the Infrastructure Program will result in the displacement of citizens as the nature of the improvements typically occurs in public right-of-way or legally obtained easements and does not typically require people or entities to relocate. However, if any awarded infrastructure projects may result in the displacement of citizens or entities, the infrastructure program will follow all applicable Mitigation Buyout Program policies and procedures related to minimizing displacement.

INFRASTRUCTURE NATIONAL OBJECTIVE

To ensure assistance is prioritized to the most disadvantaged populations, eligible infrastructure projects will meet HUD's *LMI Area Benefit* National Objective. To meet the criteria for LMI Area Benefit, an infrastructure project must meet the identified needs of Low-and-Moderate Income (LMI) persons residing in the area where at least 51 percent of the residents are LMI persons, and the service area must be primarily residential. The benefits of this type of activity are available to all residents in the area regardless of income.

SCOR will utilize the most current available Low/Moderate Income Summary Data (LMISD), provided by HUD and available at https://www.hudexchange.info/programs/acs-low-mod-summary-data/acs-low-mod-summary-data-block-groups-places/, to determine the LMI percentages by census tract/block data for the project area(s).

Projects that benefit a greater than 51% LMI service area will be prioritized for CDBG-DR funding. However, it can be difficult for infrastructure projects to meet and LMI area benefit of more than 51 percent due to the far-reaching nature of the infrastructure activities' service areas. Large infrastructure activities with a broad service area may benefit a large population of LMI persons, but because the area that benefits are so large, the LMI population may be less than 51 percent.

Therefore, if infrastructure funding remains after all eligible infrastructure projects that benefit an LMI service area have been awarded, SCOR will evaluate the remaining applications in accordance with the updated Universal Notice (6489-N-01), wherein HUD is waiving the 24 CFR 570.484 and 24 CFR 570.200(a)(3) requirements only to the extent that CDBG-DR funded infrastructure projects may count funds expended for infrastructure activities towards benefitting LMI persons and meeting the overall benefit requirement by multiplying the total cost (including CDBG-DR and non-CDBG-DR costs) of the infrastructure activity the LMI persons in the service area, except that the amount counted shall not exceed the amount of CDBG-DR funds provided.

> As an example, if the total cost of an infrastructure activity is $1,000,000, and the percent of LMI persons in the activity's service area is 40 percent, then $400,000 would count towards benefiting LMI persons when calculating a grantee's overall benefit (assuming this project is only funded with CDBG-DR funds). Generally, grantees should not pursue this alternative

requirement if doing so comes at the expense of pursuing an infrastructure project that can meet the original LMA national objective criteria and thus be counted towards the overall benefit requirement.

INFRASTRUCTURE PROGRAM ELIGIBILITY

Units of General Local Government (UGLG) from any of the six HUD-identified MID Counties are eligible to apply to SCOR for CDBG-DR funding to complete stormwater infrastructure projects. SCOR will not accept applications from individual property owners, homeowners' associations, or other private or for-profit entities.

Eligible infrastructure projects shall utilize grey- and/or green- stormwater infrastructure improvements to increase resilience to disasters and reduce or eliminate long-term risk of loss of life, injury, damage to and loss of property, etc. by mitigating future riverine and/or surface flooding. Examples of grey infrastructure include, but are not limited to, new or upsized stormwater pipes, culverts, ditches and channels, curbing, catch basins, stormwater storage systems. Examples of green infrastructure may include, but are not limited to, rain gardens, bioswales, bioretention cells, stormwater ponds, stream restoration, pervious surfaces, and floodplain/wetlands restoration.

Additionally, to be eligible for funding, applicants must demonstrate that thew proposed infrastructure project meets the following:

- Project has a Benefit Cost Ratio of 1.0 or greater (see: Project Prioritization section for additional information);
- Project benefits a 51% or greater Low-and-Moderate Income Area;
- Project has local government and community support;
- Constructability within the funding amount requested, and/or ability of the local government to fund any project costs that exceed the funding amount requested;
- Ability to be completed within the timeframe allotted by the funding;
- Project aligns with existing hazard mitigation plans, or other state, local or tribal hazard mitigation or long-term recovery plans.

Eligible Activities include, but are not limited to, the following:

- Engineering and design activities
- Environmental Review activities
- Permitting
- Construction of grey- and/or green- infrastructure improvement
- Material testing and inspection activities
- Acquisition of real property, including easement rights, for public works infrastructure improvements
- Relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations (if applicable).

Ineligible Activities include, but are not limited to, the following:

- Operation and Maintenance of stormwater systems
- Emergency response services

- Enlargement of dams or levees
- Assistance to private utilities
- Improvements made to private property for the sole benefit of the property owner(s)
- Funding for buildings used for general conduct of government
- Compensation to beneficiaries
- Forced mortgage payoff

CDBG-DR funds used by state and local governments for public infrastructure improvements are subject to the Duplication of Benefits (DOB) requirements of the Stafford Act. A DOB check will be conducted on all proposed and awarded infrastructure projects in accordance with the policies and procedures described in the Duplication of Benefits section below.

INFRASTRUCTURE PROGRAM APPLICATION AND PROJECT PRIORITIZATION

SCOR will solicit applications from Units of General Local Government (UGLGs) located in the six MID counties that are eligible for mitigation assistance. The application phase will be open for a 90-day submission period.

At the conclusion of the application period, SCOR will conduct an internal evaluation of all applications received to determine whether the proposed projects meet the program eligibility requirements. If the applications are incomplete, or if additional information is required to determine the project eligibility, SCOR will reach out to the applicants to request additional information or clarification as needed.

Project applications that are deemed eligible and complete will move forward into the external review phase. The external review will be conducted by a third-party engineering firm that has been competitively procured by SCOR to verify the proposed project for LMI service area benefit, benefit cost analysis, and flood reduction benefits for the proposed projects. The firm will also provide an engineer's cost estimate and may provide professional opinions related to any permitting or constructability concerns.

Upon completion of both the internal and external evaluations, applications will be scored using the project prioritization criteria identified below and ranked for award consideration. Award letters and grant agreements will be issued to the successful UGLG applicants. SCOR will publish project abstracts and award amounts for all selected infrastructure projects to the SCOR Mitigation website.

Project Prioritization

SCOR will use the scoring criteria and methodology established below to prioritize eligible stormwater infrastructure projects. The scoring criteria are based on a 100-point scale with a higher point total indicating a more feasible project.

Scoring Criteria	**Max. Points**
LMI % served	20
Benefit Cost Ratio	20
Quality of Flood Risk Reduction	10
Quantity of Flood Risk Reduction	10
Project Design Development	10

Community Lifeline Improvements	10
Nature-Based Solutions	10
Consistency with Plans, Priorities, and Policies	10
	100

Table 2: Prioritization Categories and Points

Low-to-Moderate Income Service Area (20 points)

SCOR has identified the LMI service area percentage as a program priority and therefore, it is 20 points, or 20 percent, of the application's overall score. To determine the LMI service area of a proposed project, the most current available Low/Moderate Income Summary Data (LMISD), provided by HUD and available at https://www.hudexchange.info/programs/acs-low-mod-summary-data/acs-low-mod-summary-data-block-groups-places/, will be used to determine the LMI percentages by census tract/block data for the project area(s).

An area will be drawn for each project to represent both the service area as well as the extent of the mitigation impact. While the LMI formula is straightforward, the more difficult task is defining the service area. Stormwater infrastructure service areas will be drawn primarily based on the infrastructure's watershed boundary. However, the watershed boundary may be shortened or extended as necessary to accurately capture the extents of the project's benefit. The judgement to define appropriate service areas will be performed based on the best available data, modeling, and by engineers with experience in hydrologic and hydraulic studies. Consideration will be given to additional benefits to residents beyond stormwater management and flood reduction impacts.

The service area will be overlaid with the LMI data to calculate a weighted average LMI percentage. This calculated percentage is multiplied by 20 points to produce the final LMI points awarded. An example calculation is shown below:

Service Area LMI = 65% X 20 points = 13 LMI Points

If the project applications received do not meet the requirement to benefit a primarily residential service area greater than 51 percent LMI, SCOR may give consideration to the projects with the highest LMI service area benefit percentages. If a project with less than 51 percent LMI is awarded, SCOR will use the modified LMI benefit calculation methodology identified in the "Infrastructure National Objective" section of this manual to identify the amount of CDBG-DR funding that may be applied as LMI benefit in DRGR for the project.

Benefit Cost Ratio (BCR) (20 points)

Eligible project applications will be forwarded to a third-party engineer to complete a Benefit Cost Analysis (BCA). This will be done by first calculating the benefit-cost ratio as the benefit divided by the estimated cost. This ratio is an expression of the money saved by implementing a project as opposed to the costs incurred by not implementing the project. A ratio less than one means the project will cost more to implement than it will save. Any ratio equal to 1 or higher justifies the project from a pure financial viewpoint.

Next, the ratios will be sorted by quartile to award points as shown in the Table below. This will be done to weaken the cost-benefit ratio defined by a single value to account for the larger picture of the project, account for error from assumptions and methodologies, and be appropriate for the stage of most projects.

Benefit-Cost Ratio Quartile	Points
0-25%	0
25-50%	7
50-75%	13
75-100%	20

Benefit-Cost Ratio Points

The verified BCA reviews will be conducted by the third-party licensed engineer along with the LMI verifications. The licensed engineer will evaluate the eligible applications and assign a Level 1, 2 or 3 review based on the level of information provided by the applicant. Applications that are identified as Level 1 have a complete Hydraulic and Hydrologic (H&H) analysis, FEMA BCA, and detailed cost estimate that aligns with the criteria established for this program. Using this information, the engineering firm will create flood maps based on the provided models and verify the FEMA BCA and cost estimates using uniform methodologies.

Level 2 applications contain an H&H analysis but, the H&H analysis may not meet the requirements established or contain the level of detail required to achieve uniform verification review. Additionally, these applications may not contain complete FEMA BCA calculations or a detailed cost estimate. For Level 2 applications, the engineer will work with SCOR and the applicant to obtain any additional information that may be needed. The engineer will then update the models to ensure the established criteria are equally applied, run the proposed solution for a 25-year design storm and evaluate the results. If the proposed solution does not provide sufficient flood protection for the modeled storm event, the engineer will modify the proposed design until the system does provide the design flood protection benefits. The engineer will then use the updated models and revised design details to complete the FEMA BCA and a detailed project cost estimate that meets the program criteria.

Level 3 applications are those that do not contain any H&H modeled designs, detailed cost estimates, and/or FEMA BCA analyses. For these applications, the engineer will obtain survey and existing conditions information to develop both existing and proposed models using PCSWMM software. The engineer will run the proposed improvements in the newly developed model and adjust the design as needed until the proposed solution achieves flood protection for a 25-year storm event. Flood Maps, the FEMA BCA, and a detailed Cost Estimate will be created based on the modeled design in accordance with the same methodologies used for Level 1 and Level 2 application reviews.

Anticipated construction costs will be applied consistently to all projects, without regard for geographic location, ease or difficulty of construction, or other factors that will usually affect actual construction costs. The cost estimates will be conservative and will account for design fees, permitting, construction costs, and construction engineering inspection costs. This standard pricing provides a streamlined approach for developing the ballpark cost estimates needed for evaluation.

The modeling results and verified cost estimate will then be analyzed and processed into a benefit cost ratio (BCR) using the latest version of the FEMA Benefit-Cost Analysis (BCA) toolkit. The engineer will select the BCA methodology that best accounts for a variety of project benefits including green infrastructure.

Quality of Flood Risk Reduction (10 points)

As part of the application verification process, a licensed engineer will review the existing conditions and identify/confirm whether the cause of flooding is only local rainfall, only riverine flooding, or both. Riverine flooding can only occur in stream water features defined by USGS. In addition to source identification, the engineer will analyze the existing extent of flooding at a 25-year storm event. This information will serve as the baseline for quantifying the level of flood risk reduction benefit the proposed project provides.

The engineer will then analyze the proposed extent of flooding at a 25-year storm event in comparison to the baseline modeling information. The 25-year, 24-hour event is the industry standard for stormwater infrastructure projects. Projects' protection performance can vary as storms occur at different durations, intensities, and prior conditions. The BCA phase will consider some of the variations for larger storm events; however, accounting for all variations is not always foreseeable. The application will receive a score based on the difference between existing storm event protection and proposed storm event protection in accordance with the table below:

Quality of Flood Risk Reduction	Points
No Change	0
Increase to protection for 5-year storm event	2
Increase to protection for 10-year storm event	5
Increase to protection for 25-year storm event	8
Increase to protection for 50-year or greater storm event	10

Quantity of Flood Risk Reduction (10 points)

As part of the BCA verification process, the engineer will also review the existing and proposed flood inundation maps to determine the number of structures that benefit from flood risk reduction if the proposed project is implemented. A structure is defined as benefitting from flood risk reduction if the flood levels are reduced by at least a foot of depth. A foot of depth was chosen because it is assumed that no damage would occur before six inches to account for the slab foundation, and an additional six inches would cause significant damage. Other flood risk measures such as extent, duration, and velocity are related to depth, and therefore the process can be streamlined to depth. This difference in depth is measured from the BCA models using the proposed mitigation model minus the existing condition model.

Civic, commercial and residential buildings should be counted as one unit each, regardless of square footage and function. Apartment buildings should be reported by number of units, if known. For example: One apartment building with 10 units would be reported as 10 structures. An application will receive a quantity of flood risk reduction score in accordance with the table below:

Quantity of Flood Risk Reduction	Points
0-10 Structures	0
11-25 Structures	4
26-50 Structures	7
51+ Structures	10

Table: Quantity of Flood Risk Reduction Points

Project Design Development (10 points)

SCOR will review each application and assign points for Project Design Development based on the level of research, planning, design, and permitting that has been completed on the proposed project prior to submitting the project application to SCOR. Eligible projects are not required to have any design or permitting completed prior to the application. However, the CDBG-DR funds must be expended within a six-year timeline and therefore, projects that are considered "shovel ready" will receive a higher project design development score than projects that are not shovel ready.

Project Design Development	Points
No project design development	0
Some project design development	4
Design Development (10-90%)	+1
Required permits	+1
Construction Document Drawings and Project Specifications	+1
Construction Cost Estimate (updated within 12 months)	+1
Environmental Review Completed	+1
Required easements/acquisitions	+1

Table: Project Design Development Points

If the proposed project was not identified as a recommended project from a plan, study, or other planning efforts and/or no other project design development completed, then the application will receive zero points for Project Design Development.

If the proposed project has been identified or developed to a conceptual level from a plan, study, or other planning efforts, then the application will receive 4 points for Project Design Development. A project application can receive a maximum of 10 points for project design development by earning additional points for design development milestones as described below. A project must be shovel-ready in order to earn the maximum number of points.

- If design plans have been developed beyond the conceptual level (10% drawings) up to 90% design, the application will receive one additional point.

- The application can earn an additional one point if the necessary permits have been identified and obtained. Alternatively, if the applicant can demonstrate that they have conducted pre-application meetings and/or submitted permit applications to the regulatory authorities and are in good position to have the permits approved, an additional point may be earned before permits are obtained.

- If the project design is complete with 100% Construction Document Drawings and Project Specifications, the application will receive one additional point.

- One additional point will be awarded if the project application includes a current detailed construction cost breakdown or engineer's opinion of probable cost for the project. A current cost estimate is one that has been completed or updated within 12 months of the application submittal date.

- If an environmental review has been completed for the proposed project, one additional point will be earned. Environmental reviews conducted in accordance with implementing regulations from federal agencies other than U.S. HUD will be counted for the purposes of the project design development score. However, existing completed environmental reviews will have to be modified, revised and/or updated to comply with current HUD implementing regulations if the project is awarded a CDBG-DR grant from SCOR.

- An additional one point will be awarded if the project applicant has identified and obtained the necessary easements or acquisitions required to construct the proposed project. Alternatively, an additional point may be earned before the easements or acquisitions are acquired if the applicant can demonstrate support for issuing easements or acquisitions from the relevant property owners.

Community Lifeline Improvements (10 points)

Stormwater project applications will earn points for providing benefits beyond flood reduction because projects with broader community impacts most directly support SCOR's mission to increase resilience to disasters and reduce long-term risks to people, property and communities. Following Hurricane Helene, South Carolina's unmet needs assessment identified major impacts to housing, infrastructure, and the economy. Stormwater improvements that also strengthen other community lifelines help address these interconnected needs while improving overall community resilience.

Therefore, project applications will be reviewed and assessed for additional benefits to the following community lifelines:

- **Safety and Security** – Improve access to law enforcement, security, fire service, emergency medical services, government service, and/or community safety

- **Food, Hydration, Shelter** – Improve access to food, hydration and shelter

- **Health and Medical** – Improve access to medical care, public health, patient movement, medical supply chain, and/or fatality management
- **Energy** – Reduce or eliminate impacts to power grids and/or fuel
- **Communications** – Reduce or eliminate impacts to communications infrastructure, responder communications, alert warnings and messaging systems, finance, 911 and dispatch.

- **Transportation –** Reduce or eliminate impacts from flooding to highways, local roadways, motor vehicles, mass transit, railways, aviation or maritime.

- **Hazardous Materials** – Reduce or eliminate pollutants and/or contaminants

- **Water Systems** – Reduce or eliminate impacts to potable water infrastructure and/or wastewater management systems.

The application should clearly demonstrate any negative impacts to the above referenced community lifelines from past storm events and define how the proposed project will reduce or eliminate those impacts. The application community lifeline improvements score will be determined by the number of community lifelines that is improved by the project in accordance with the table below.

Community Lifeline Improvements	Points
No improvements to lifelines	0
Improvements for 1-3 lifelines	3
Improvements for 4-6 lifelines	7
Improvements for 7 or more lifelines	10

Table: Quantity of Flood Risk Reduction Points

Nature-Based Solutions (10 points)

Nature-based practices such as bioretention areas, wetlands restoration, permeable pavement, vegetated swales, and stormwater retention parks can help reduce flooding, improve water quality, and decrease erosion. They may also provide secondary benefits like improvements to ecological systems, reduce urban heat, and reduce long term maintenance costs compared to traditional grey infrastructure. By working with natural processes rather than against them, nature-based solutions provide more resilient and sustainable stormwater management. Therefore, SCOR encourages the use of nature-based, or green, solutions in proposed stormwater improvements projects to help manage stormwater runoff and improve community resiliency.

SCOR will review applications to determine how much, if any, of the proposed project scope utilizes nature-based solutions. Applications will receive a score for nature-based solutions using the following criteria:

Nature-Based Solutions	Points
No nature-based solutions	0
1-49% nature-based solutions	5
50-74% nature-based solutions	7
76-100% nature-based solutions	10

Table: Quantity of Flood Risk Reduction Points

Consistency with Plans, Priorities, and Policies (10 points)

Applicants should demonstrate that the proposed infrastructure improvement project is consistent with and supports broader statewide, regional and/or local planning efforts. This includes showing alignment with applicable plans and policies such as the South Carolina Office of Resilience (SCOR) SCOR Strategic Statewide Resilience and Risk Reduction Plan, current FEMA-approved or local Hazard Mitigation Plans (HMPs), Stormwater Master Plan(s) (MSP), Comprehensive Plans, Capital Improvement Plans (CIP), and other relevant planning documents. Aligning projects with established planning efforts helps ensure coordinated investment, long-term resilience, and community benefit.

In accordance with the scoring criteria established in the table below, SCOR will review applications to identify to what extent the proposed stormwater projects align with federal, state or local hazard mitigation planning efforts and/or how the proposed projects achieve objectives outlined in regionally or locally established plans and policies designed to reduce future risk to the jurisdiction. Applications will receive 5 points for consistency with plans, priorities and policies if the proposed project is consistent with one relevant planning document. If an application is consistent with two or more planning documents, the application will receive 10 points.

Consistency with Plans, Priorities, and Policies	Points
No source	0
Consistent with one source	5
Consistent with two or more sources	10

Table: Quantity of Flood Risk Reduction Points

INFRASTRUCTURE PROGRAM MAXIMUM ASSISTANCE

The maximum award for an individual stormwater infrastructure improvement project is $10 million. However, preference may be given to applications that allow the available funding to be distributed across multiple projects and communities, rather than allocating the full program budgeted amount to a single project. This approach is intended to maximize statewide impact and expand the overall resilience benefits of the program.

ELIGIBLE AND NON-ELIGIBLE INFRASTRUCTURE COSTS

Eligible costs included in the infrastructure maximum assistance include:

- Engineering and design fees
- Environmental Review fees
- Permitting fees
- Construction costs
- Material testing and inspection fees
- Acquisition costs of real property, including easement rights, for public works infrastructure improvements, excluding attorney fees
- Relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations (if applicable).

Non-eligible costs include, but are not limited to, the following:

- Operation and/or maintenance costs
- Grantee staff and/or administrative costs
- Assistance to private utilities
- Funding for buildings used for general conduct of government
- Compensation to beneficiaries

- Forced mortgage payoff costs
- Attorney fees for the acquisition of easements and/or parcels

DUPLICATION OF BENEFITS REVIEW FOR INFRASTRUCTURE PROJECTS

A Duplication of Benefits (DOB) review will be conducted for all infrastructure projects prior to a CDBG-DR award in accordance with the DOB policies established in the Mitigation Set-Aside portion of this Policies and Procedures manual.

Applicants will be required to sign a subrogation agreement before any CDBG-DR funds are expended on the awarded project. If an applicant does not sign the subrogation agreement, the applicant will be deemed ineligible for CDBG-DR funding.

RESPONSIBLE ENTITY REQUIREMENTS

Selected recipients of a CDBG-DR infrastructure grant must agree to take ownership and maintenance of the improved stormwater systems for the lifespan of the CDBG-DR system. If the recipient is unable or unwilling to maintain the system at the conclusion of the project, the recipient may provide SCOR with documentation that they have entered into a management agreement with another entity to perform the maintenance responsibilities. If the recipient does not accept responsibility of the system, and the recipient does not have an agreement with another entity to accept the maintenance responsibilities of the system, SCOR will not issue a CDBG-DR grant to the recipient.

REPROGRAMMING FUNDS FOR STALLED PROJECTS

The CDBG-DR funds must be expended within six years. Therefore, SCOR will evaluate project applications and consider the feasibility of each proposed project scope to be completed within the timeline allotted by the funds. Projects that are identified as not feasible to be completed within the established grant timeline will not be awarded.

A period of performance will be established upon award for selected projects that includes target deliverable dates for key project milestones. Following award, SCOR will monitor the project's progress in relation to the period of performance and the established schedule for deliverables via regular coordination calls, monthly and quarterly progress reports, and expenditure rates.

If a project fails to meet the deliverables schedule established in the grant agreement, or in subsequent project-related contracts, and no progress towards those deliverables can be documented or identified for a six-month period, SCOR will consider the project to be stalled.

SCOR may reallocate any remaining funds on the stalled project to existing projects within the CDBG-DR programs which have identified a need for additional funds and can demonstrate the ability to spend those additional funds within the time remaining on the CDBG-DR grant.

DISPLACEMENT AND RELOCATION

Stormwater improvement projects are designed to reduce flooding impacts and help residents safely remain in their homes. Therefore, awarded stormwater infrastructure projects are not expected to cause residential displacement. However, if displacement does occur, the infrastructure program will follow the applicable policies and procedures outlined in the Voluntary Residential Buyout Program portion of the Mitigation Set-Aside section of this CDBG-DR Policies and Procedures manual.

PROJECT REPORTING REQUIREMENTS

Subrecipients will be required to provide Monthly Progress Reports to the SCOR project manager by the 5th day of each month. Additionally, subrecipient will be required to submit Quarterly Progress Reports (QPRs) to the SCOR Project Manager, due by October 5th, January 5th, April 5th, and July 5th each year, until the project is completed.

SCOR Project Managers will complete QPR reports for state-run projects by October 5th, January 5th, April 5th and July 5th each year, until the project is completed. SCOR will utilize the project progress information provided in the monthly and quarterly progress reports to provide quarterly updated to HUD via DRGR.

INTERNAL AUDIT & MITIGATION PROGRAM

The Internal Audit Department is independent of SCOR's CDBG-DR Program and reports directly to the Chief Resilience Officer. Internal Audit is responsible for ensuring that SCOR's CDBG-DR program follows all required federal and state requirements. Internal Audit ensures that SCOR's Mitigation Program adheres to what SCOR has promised the citizens and communities of South Carolina in its Action Plan, policies, and procedures.

Internal Audit will utilize risk-based programmatic auditing of the activities and procedures throughout the process of implementing all four program areas in the CDBG-DR Mitigation Program. Auditing activities involve a direct review of the actions pertaining to the following:

1. Infrastructure Program:
   a. Project Application/Eligibility
   b. Project Selection/Approval
   c. Environmental Review
   d. Procurement of Services
   e. Project Management
   f. Monitoring of Subrecipients
   g. Financial Transactions

2. Buyout Program
   a. Intake
   b. Project Application/Eligibility
   c. Project Selection/Approval
   d. Procurement of Services
   e. Project Management
   f. Monitoring of Subrecipients
   g. Financial Transactions

h. URA
i. Lead-based Paint Reviews
j. Asbestos Reviews Construction Standards
k. Environmental Review
l. Demolition
m. Appraisals
n. DOB
o. Financial Incentives

3. Match Program:
    a. Project Application/Eligibility
    b. Project Selection/Approval
    c. Project Management
    d. Monitoring of Subrecipients
    e. Financial Transactions

4. Plans & Studies Program:
    a. Project Application/Eligibility
    b. Project Selection/Approval
    c. Project Management
    d. Monitoring of Subrecipients
    e. Financial Transactions
5. Transparency and Access:
    a. Citizen Participation
    b. Citizen Accessibility

6. Mitigation Special Case Panel

Other activities conducted by Internal Audit include:

- Review of specific program pricing policies to ensure that the decisions that are made are in the best interest of the Program, Applicants, and Taxpayer.
- Review of any items received through the Fraud Hotline (844-506-5436).

Internal Audit will specifically monitor the following:

1. Infrastructure
    a. 25% of all applicant files
    b. Review files to verify applicant program eligibility
    c. Review construction files to ensure consistent and appropriate documentation, including evidence of permits
    d. Cost reasonableness of infrastructure projects as they are approved
    e. 25% of completed construction projects

2. Buyout
    a. 25% of all applicant files

b. Review files to verify applicant program eligibility
c. Review files to verify incentive eligibility

3. Plans & Studies
   a. 25% of all applicant files
   b. Review files to verify applicant program eligibility
   c. Review files for cost reasonableness

4. Match
   a. 25% of all applicant files
   b. Review files to verify applicant program eligibility
   c. Review grant being matched for SCOR Mitigation Program eligibility or information requirements (Examples: Income verification, LMI, National Objective, etc.)
   d. Review to ensure the overall project or the match does not exceed a Federal Register or program cap (Example: The Federal Register Notice limits the amount CDBG-DR funds contribution to USACE projects to $250,0000)

5. Mitigation Special Case Panel Monitoring
   a. 100% of the files will be reviewed that are submitted to the Mitigation Special Case Panel. These reviews will focus on Eligibility, Cost Containment, and appropriate and timely scope of work items.

The Mitigation Program Director, in coordination with the Internal Audit Director, can temporarily increase the percentage of files reviewed in a program as required.
On a weekly basis, Internal Audit reports the number of cases reviewed to the Program as a metric of Internal Audit progress. Internal Audit reports any issues identified through daily monitoring activity to the contractor to facilitate expeditious corrections.

On an as-needed basis, other audits or reviews will be completed using an approved audit program. The results will be reported through a formal report along with any findings.

Semiannual Reports are provided to the Chief of Resilience to ensure they are aware of Internal Audit's progress.

SINGLE AUDIT

The State of South Carolina is in full compliance with Single Audit requirements. The State's annual expenditures are consistently reviewed every year by the Office of the State Auditor to evaluate whether the State's major federal programs follow laws, regulations, contracts, and grant rules as applicable to each program. The State maintains reports and working papers for each annual report for a minimum of three years from the date of submission to the Federal Audit Clearinghouse.

South Carolina will monitor subrecipients for compliance with financial administration requirements in accordance with Single Audit requirements previously stipulated in OMB Circular A-133, now codified in 2 CFR 200, Subpart F. The Department requires all program subrecipients who expend more than $750,000 in federal funds during the fiscal year to submit their Single Audit review through the State's Federal Audit Clearinghouse or directly to the State for review for material weaknesses and findings or concerns. Subrecipient compliance with audit requirements has been and will continue to be maintained through an internal monitoring tracking system updated on a routine basis

The State's Single Audit is available at: https://osa.sc.gov/wp-content/uploads/2019/03/18-Single-Audit-Report.pdf

AUDITEE RESPONSIBILITIES

In accordance with 2 CFR § 200.508, SCOR must:

- Procure or otherwise arrange for the audit required by this part in accordance with § 200.509 Auditor selection, and ensure it is properly performed and submitted when due in accordance with § 200.512 Report submission;

- Prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with § 200.510 financial statements;

- Promptly follow up and take corrective action on audit findings, including preparation of a summary schedule of prior audit findings and a corrective action plan in accordance with § 200.511; and

- Provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by this part.

MITIGATION SPECIAL CASE PANEL (MSCP)

During the activities of the Programs, many decisions will be made involving each project. These decisions will be made based on the State of South Carolina's interpretation of:

- Applicable federal and state statutes
- The Code of Federal Regulations
- State and local codes and ordinances
- Local guidelines
- The South Carolina Action Plan for Mitigation (Action Plan); and
- The SCOR Mitigation Program Policies and Procedures Manual.

SCOR will consider and respond to concerns, suggestions, requests, cases with exceptional excessive costs, and other issues pertaining to CDBG-DR Program by utilizing a Mitigation Special Case Panel (MSCP). The MSCP must review the following:

- Any proposed buyout award more than established program guidelines.
- Any appeal of the buyout program appraised value of the home.
- Any request to review an incentive award that causes the buyout award to be more than program guidelines.
- Any items the demolition contractor believes are truly excessive, and outside the scope of the standard fixed price.
- Infrastructure, Buyout, Plans and Studies, and Match project change orders that exceed the 10%

contingency of the original scope of work pertaining to any approved project. Requests that are within the 10% contingency, time extensions, and/or no cost to SCOR, do not require MSCP review and will be approved or denied through the following process:

  - The SCOR Mitigation Director will review, and either approve or deny all time extension requests for all project types. Such requests do not need to be brought to or approved by the Mitigation Special Case Panel.
  - The SCOR Mitigation Director will review, and either approve or deny all no cost change orders. Such requests do not need to be brought to or approved by the Mitigation Special Case Panel, as they have no financial impact on SCOR's award amount or financial commitment to the project.

- Any project requesting a non-federal match of a FEMA-funded Mitigation Grant programs.
- Any plans and studies applications from State Agencies, COGs, and/or UGLG for development and/or revision of hazard mitigations plans and flood-reduction studies that will provide information for potential infrastructure projects in later phasing of the Mitigation grant; and
- Priority or eligibility appeals as requested by the Constituent Services Manager.

Internal Auditing will review the proposed item prior to the MSCP meetings. Audit shall research and investigate any information as deemed needed and may challenge the proposed item as submitted. Internal Auditing will forward any concerns regarding the information, findings, and the proposal to the South Carolina Chief Resilience Officer (CRO). The CRO will make a final determination as to whether the State will fund any items designated as inappropriate by Internal Auditing. Internal Auditing must submit documentation of the audit review into the System of Record.

The MSCP is a five-member panel that consists of the Mitigation Program Director (Chair), the Mitigation Program Manager, a SCOR Attorney, the SCOR Director of Support Services, and a SCOR Finance Representative. A decision memorandum or equivalent will set forth the Panel's findings on each matter it considers. The decision memorandum or its equivalent will be reviewed by SCOR's Legal Department for approval before being submitted to the Mitigation Director and Director of Operations for signature. The decisions memorandum is signed by the Mitigation Director and the Director of Operations. The signed decision memorandum will be uploaded to the System of Record.

EMERGENCY CHANGE ORDERS

The emergency change order process is used when a previously approved mitigation project requires a time sensitive change to the existing contract that cannot wait for the next MSCP meeting. An emergency change order will be reviewed for determination in a compressed timeframe to avoid project delays. An example of an emergency change order is the repair of an unexpected watermain break. All actions not included in the approved scope or any increase to the approved cost for a scoped action, MUST be submitted for review and approval. An Emergency Change Order request can be submitted for two reasons:

- To prevent a major delay or impact to the process, a critical system/service, or community; and
  - The action to resolve the issue cannot be delayed until the next scheduled Mitigation Special Case Panel Meeting

- Immediate action required due to fault or action of contractor or firm (Break-Fix)

If an Emergency Change Order is requested for a Break-Fix scenario, it should be accompanied by an incident log for review and to determine the responsible party.

Emergency change order process

1. The awarded project contractor must notify the respective Mitigation Program Manager of the need for an emergency change order.

2. The contractor provides details about the required change to include but not limited to the cause and cost.

3. The Mitigation Program Manager determines if the request is, indeed, an emergency and if the request is feasible. The Mitigation Program Manager will consider the scope, level of urgency, and cost of request. If approved, the Mitigation Program Manager may approve additional work for a cost “not to exceed” based on the nature of the scope.
4. The Mitigation Program Manager approves or denies the emergency change order.
5. All approved emergency change orders must be presented by the approving Mitigation Program Manager for an official MSCP review at the next scheduled Mitigation Special Case Panel Meeting. If approved or disapproved, a determination is recorded for the record.

6. Denied emergency change order requests will be presented at the next scheduled Mitigation Special Case Panel Meeting. An official MSCP review is performed, and the determination is recorded.

7. The MSCP Decision Memorandum is added to the System of Record.

APPEALS

Applicants have the right to appeal any determination issued by the SCOR CDBG-DR Mitigation Set-aside Program that affects the applicant’s eligibility or assistance determination.

If an applicant chooses to appeal, the appeal must be submitted in writing with thirty (30) calendar days of the eligibility or assistance determination letter. The appeal must include contact information for the appellant or complainant, address, and project number (if applicable), a detailed letter explaining the reason for the appeal and any supporting documents related to the appeal. The appeal may be submitted through one of the following methods below:

Address: South Carolina Office of Resilience
ATTN: Mitigation Appeals
2100 Bull Street
Columbia, South Carolina 29201

Email: Mitigation@scor.sc.gov

The SCOR Mitigation staff is responsible for responding to complaints and appeals in a timely and professional manner. The appeals procedure will provide a quick and efficient system for resolution of concerns or disputes that applicants may have with the procedures followed and services provided by SCOR. The Mitigation Special Case Panel will review appeals. The Constituent Services Office of SCOR will review complaints. The review process may include but not be limited to informal hearings, third-party review, and director approval. SCOR will keep a record of each complaint or appeal that it receives to include all communications and their resolutions. Complaints alleging violation of fair housing laws will be directed to the U.S. Department of Housing and Urban Development for immediate review. Complaints regarding fraud, waste, or abuse of government funds will be forwarded to the HUD OIG Fraud Hotline (phone: 1–800–347–3735 or email: hotline@hudoig.gov). If an applicant disagrees with an official decision, he or she can appeal to the SCOR.

TECHNICAL ASSISTANCE

SCOR will provide Mitigation technical assistance to participants and subrecipients as needed. During the activities of the Programs, many decisions will be made involving each project. Technical assistance may be provided by SCOR staff, or the State may contract with other technical assistance providers. Technical assistance may be delivered through a variety of methods to include in-person visits, virtual meetings, and written guidance. Requests for technical assistance must be submitted in written through one of the following methods below:

Address: South Carolina Office of Resilience
ATTN: Mitigation Department
2100 Bull Street
Columbia, South Carolina 29201

Email: Mitigation@scor.sc.gov

PERMITS AND CODES

SCOR, its Subrecipients, or consultants will be responsible for documenting and obtaining all necessary permits for each project. A copy of all permits obtained should be submitted with the environmental review report to the State for review. The State or its Subrecipient will ensure work performed satisfies all applicable Federal, State and Local building codes and regulations. The SCOR Mitigation Program Manager or its designated Subrecipient will oversee the work of the construction contractor for each mitigation project.

COMPLIANCE AND MONITORING

SCOR must ensure compliance with applicable regulations, which include but are not limited to regulations regarding recordkeeping, administrative and financial management, environmental compliance, conflict of interest, procurement, Davis-Bacon Labor Standards, diversity and civil rights regulations, property acquisition and management, displacement, relocation, and replacement. Monitoring will be carried out by SCOR program staff and auditors as well as subrecipient administrators. All projects will be monitored quarterly will be scheduled well in advance with the appropriate administrators.

Technical assistance may also be given by SCOR staff, if requested or determined that it would best suit the subrecipient and the State's investment of grant dollars. Technical assistance visits are made to assist the grantee toward achieving successful project completion.

Infrastructure projects shall be monitored by SCOR through schedules and project expenditures. At the initiation of a project a detailed project schedule will be developed covering the design and construction of the project. This schedule will be maintained through the life of the project and shall be updated no less than quarterly.

Project schedule and budget changes shall be documented in a Project Change Log and include the following:

- Description of the change made
- Reason for the change
- Any ramifications resulting from the change, i.e., additional funding must be sought, change to project expenditure projects etc.

The Project Change Log will be included in the project file, and updates will be provided to the Mitigation Director and Mitigation Program Manager.

Project expenditures will be tracked through the monthly consultant/contractor payment approval process and through the quarterly update.
Rejected payment requests shall be saved in the project files and include on the rejected payment application, or within attached correspondence, the date and nature of the rejection. Digital files shall be clearly named to differentiate the rejected applications from those approved for payment.

Monitoring review activities are conducted to ensure compliance with the following objectives:

- Review Subrecipient Agreement compliance. A Subrecipient or contracted vendor will be monitored to ensure all funded activities are eligible; beneficiaries served are accountable; and funds have been expended in accordance with SCOR, state and federal requirements, as outlined in the Subrecipient Agreement. Compliance area reviewed by C&M include financial management, advance payment, acquisition, infrastructure change orders, equipment, procurement, environmental approvals, and labor standards
- Procedures to detect fraud, waste, and abuse. SCOR, a Subrecipient, or contracted vendor's processes or systems and other policies and procedures used to administer SCOR CDBG-DR funds will be monitored for adequate protections against fraud, waste, and abuse
- Identify any necessary corrective actions. A review could result in prescribed corrective measures to be carried out by SCOR, the Subrecipient or contracted vendors up to and including repayment
- Identify technical assistance needs. A review may reveal a need for additional technical assistance.

MONITOR REVIEW TYPES

The Mitigation Team performs two types of reviews: desk or on-site monitoring.

Desk Review

A desk review requires the Mitigation Team to sufficiently review selected project(s) or activities and the related compliance area(s) via electronic means. A desk review is generally conducted in the following situations:

- The size, scope, or complexity of the review allows a desk review
- An interim review or a complaint is received and warrants a desk review
- The Subrecipient or contracted vendor requests a desk review, and this request is approved by SCOR

On-site Review

An on-site review requires the Mitigation Team to sufficiently review selected project(s) or activities and the related compliance area(s) during a scheduled visit at the Subrecipient or contracted vendor project location. An on-site review is generally conducted in the following situations:

- The size, scope, or complexity of the review would benefit from an on-site review

- An interim on-site review or a complaint is received that warrants an on-site review
- The Subrecipient or contracted vendor requests an on-site review, and the request is approved by SCOR

At minimum, one annual review, **per each infrastructure project**, must be completed by the Mitigation Team.

- Monitoring Professional Services

SCOR will monitor all procured professional services and those procured by subrecipients. SCOR may have to procure professional expertise from another entity to monitor procured professional services. This procurement and compliance monitoring is part of activity or program delivery of the project but is separate from any award to a subrecipient. This compliance monitoring can include but is not limited to:

- Surveying
- Appraisals
- Demolition
- Lead Based Paint Testing/Mitigation
- Asbestos Testing/Mitigation

GENERAL MONITORING METHODOLOGY

Prior to an on-site monitoring review, a written notification will be provided to the Subrecipient or the contracted vendor from SCOR of the type of review that will be conducted. Selected compliance areas, projects or activities, and duration of the visit are examples of information that will be provided in the notification letter. The following steps are integral to conducting a monitoring review:

- Conducting an entrance conference with the appropriate representatives to explain the purpose of review
- Applying the applicable requirements through documented work papers
- Reviewing the applicable files
- Interviewing members of staff, engineers, and/or consultants, as appropriate to discuss project related issues
- Conducting an exit conference with the appropriate representatives to present the preliminary conclusions identified during the review
- Issuing a formal written report summarizing the conclusions of the review
- SCOR retains the right to modify the monitoring procedures and monitoring tools as deemed necessary

DECISION CATEGORIES

One or more conclusions may result from a monitoring review that indicates the following:

- The performance complied with the requirements of the SCOR program
- Findings that require corrective actions by the Subrecipient or contracted vendor
- Concerns about the performance of the projects or activities
- Observations for efficiencies or items of note
- Technical assistance is necessary

The terms above are defined by HUD as:

- A “finding” is an issue of statutory or regulatory noncompliance that must be addressed immediately
- A “concern” is an issue that is not an instance of statutory or regulatory noncompliance but may result in noncompliance if they are not addressed
- An “observation” is a comment about an area where the funded entity can improve program performance or recognize exceptional success and best practices

NON-COMPLIANCE PROCEDURES

The results of the monitoring review may require corrective action by the Subrecipient or contracted vendor. A monitoring report will be issued which outlines the findings, concerns, and/or observations and identifies corrective actions to be carried out to remedy identified deficiencies.

If corrective actions are identified, the Subrecipient or contracted vendor must respond to SCOR by the date indicated on the report. Issues identified in the report must be resolved prior to the close-out of the Subrecipient or vendor contract. A clearance monitoring letter will be issued to the Subrecipient or contracted vendor stating that corrective actions address the issues noted within the monitoring report. Depending on the severity of the issues identified in the report, corrective actions may include remedies for non-compliance that include:

- Temporary withholding of cash payments until correction of the deficiency
- Disallowed cost recovery
- Wholly or partly suspend the Subrecipient Agreement
- Initiate suspension or debarment proceedings
- Withhold further Subrecipient Agreements
- Other legal remedies as available

COMPLAINTS

When a complaint or appeal is received, a Constituent Service Representative will respond to the complainant or appellant within fifteen (15) business days where practicable. For expediency, the SCOR Mitigation staff shall utilize telephone communication as the primary method of contact; however, email and postmarked letters will be used as necessary.

RESPONSIBILITIES

SCOR has identified the SCOR Constituent Services staff section to handle all property owner and homeowner inquiries.

These staff will be responsible for:

- Determining whether complaints and appeals relate to the business or authority of SCOR
- Ensuring that a response to all complaints and appeals are within the appropriate time frame (response must be provided within 15 working days of the receipt of the complaint)
- Ushering all complaints and appeals through to a resolution
- Maintaining all documentation related to each appeal and complaint. Each file must include the following:
    - Results of the investigation, together with any notes, letters, or other investigative documentation
    - The date the complaint or appeal was closed; and

- Any other action is taken.
-

REPORTING

To ensure situational awareness for members of the SCOR organization as well as HUD and the citizens of South Carolina, SCOR plans to report its progress in several ways.

DISASTER RECOVERY GRANT REPORTING (DRGR)

As required by HUD, SCOR's Mitigation program will utilize the Disaster Recovery Grant Reporting System (DRGR) to submit its Action Plan detailing its projected use of CDBG-DR grant funds and report quarterly on its accomplishments pertaining to the same.

The SCOR staff will ensure that accurate information is collected and reported to HUD in DRGR, and that relevant systems and procedures comply with Federal policies and requirements governing reporting. Additionally, they will ensure that the Quarterly Performance Reports (QPR)s, Public Law Documents, and other required documents are properly uploaded to the SCOR Mitigation website for public viewing.

Procedures:

DRGR breaks down a grant into categories known as projects. It further breaks down each grant project into subcategories called activities. Activities are grouped in a project based on their geographic or National Objective similarities. SCOR will base its DRGR projects on those stated in the Action Plan. Activities are based on a single National Objective. Each National Objective is defined by HUD and has individual requirements that must be met by SCOR. Any activity actions that do not meet a specific National Objective's requirements must be reported under a new separate activity.
At least quarterly, Mitigation program and financial staff will compare actual expenditures and actual outcomes with the current projections maintained in DRGR and the approved project schedules and budgets. At the end of each quarter, staff will reconcile financial and program records, validate accomplishment data and resilience performance measures, explain material variances, and document corrective actions or revised projections when needed. Corrective actions may include technical assistance, schedule or budget revisions, increased monitoring, reprogramming, or escalation to management. Approved projection updates and quarterly performance information will be entered in DRGR and posted publicly as required.

QPRs are to be submitted to HUD no later than 30 days after the end of a Quarter. A copy of the QPR, Public Laws, and other required documents must be uploaded to the Mitigation website within 3 days. The same 3-day requirement applies to QPR resubmissions and approved QPRs. All Action Plan Amendments must be properly reflected in DRGR the quarter they occur.

CLOSEOUT

The closeout process is designed to ensure all CDBG-DR activities are completed, and funds are expended in accordance with either the subrecipient agreement, contracted vendor agreement, program rules, and state and federal requirements. This means any financial, administrative, and performance issues related to the Mitigation Program stipulated as part of the applicable contract have been resolved to the satisfaction of SCOR, HUD, and the subrecipient or contracted vendor. The closeout process also certifies that the persons benefiting from the activities are receiving services or a benefit from the use of the new or improved project, facilities and/or activities.

The closeout process must be initiated by SCOR for State-run projects and by subrecipients for subrecipient-run project.

Closeout begins when:

- All costs to be paid with CDBG-DR funds have been expended and payment requests, submitted, with the exception of closeout costs (final administrative and audit costs), and other costs approved in writing by SCOR
- The work described in the currently approved Performance Statement has been completed

Prior to the closeout of a completed project, SCOR will conduct a review to ensure that each case:

- Met a HUD national objective
- Was an eligible activity
- Had no outstanding issues

CLOSEOUT PROCESS

The program activity closeout process consists of a thorough review and determination that all costs, with certain exceptions, paid with CDBG-DR Mitigation Set-aside funds have been incurred, the work has been completed, and the national objective has been met. This process is documented in the Grant Closeout Report (GCR) and the required supporting documentation identified. Other information may be required and requested by the SCOR. The GCR must be submitted within 60 calendar days after the project is completed.

GRANT CLOSEOUT REPORT (GCR)

The following must be included in the GCR:

- A project map showing the location(s) of the project
- Certificate of Expenditures (COE)
- Performance Statement Checklist
- Owner Detail Report
- Any other documentation as required

After the GCR has been reviewed by the necessary departments, it will be signed by the Environmental Certifying Officer and the Mitigation Program Director. The signed GCR will be included in the respective project file.

Certificate of Expenditures (COE)

This section of the GCR documents financial status of the applicable completed agreement or contract, including both CDBG-DR funds and any other funds used for the project. All budget activity is listed in the following columns:

- SCOR Budget: CDBG-DR funds allotted to each budget activity including all amendments and revisions
- SCOR Funds Expended (Including Final GA Draw): Funds received from CDBG-DR through approved Requests for Payment. Pending Requests for Payment are included in this amount
- Final GA Draw: Amount of final GA Draw

- Unutilized Funds: Total grant funds that will NOT be requested including all funds not Drawn to Date or requested for Reserve. All funds included in this column will be de-obligated by SCOR
- Local Contribution: All funds or local contribution other than CDBG-DR funds used to complete the project

Actual Accomplishments

The GCR reports all work completed by the activity. The work reported must correspond to the project described in the Performance Statement and be reported in the same quantitative terms as those used in the applicable agreement or contract (if the Performance Statement describes a project without using linear feet, report the item as a linear foot metric).

Owner Detail Report

Complete Owner Detail Reports for all activities in the Performance Statement (excluding engineering, administration, and acquisition if incidental to the project). The total number of persons benefiting, and the number of households benefiting if applicable, must equal the total activity beneficiaries or households listed in the Performance Statement.

If multiple projects/activities benefit exactly the same group of persons, the detailed Owner information may be reported once for the group of activities in order to minimize the length of the report. Indicate all activities to which the report applies at the top of the report.

POLICIES

DUPLICATION OF BENEFITS

Purpose

In accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5155; FEMA regulations at 44 C.F.R. § 206.191; and the Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice, 90 FR 1754, SCOR will use the best data available to identify, prevent, calculate, monitor, and recover duplication of benefits in connection with Hurricane Helene CDBG-DR Mitigation Set-Aside activities.

Definition of Duplication of Benefits

A duplication of benefits occurs when:

1. A person, household, business, nonprofit, or local government receives financial assistance from multiple sources;
2. The assistance is provided for the same purpose; and
3. The total assistance exceeds the unmet need.

Financial assistance that addresses a different purpose than the CDBG-DR activity does not constitute a DOB.

Delivery Sequence and Order of Assistance

The Stafford Act, at 42 U.S.C. § 5155, prohibits the DOB when providing federal financial assistance for major disasters or emergencies. FEMA implementation regulations at 44 C.F.R. § 206.191 regarding the Duplication of Benefits and the Common Application, Waivers, and Alternative Requirements for Community

Development Block Grant Disaster Recovery Grantees: The Universal Notice (U.N.) published in the 90 FR 4759, provide directives and an order of assistance that SCOR shall use in the DOB analysis.

FEMA regulation at 44 C.F.R. § 206.191(d) Guidance to prevent duplication of benefits identifies various relief agencies and other organizations and applies a concept of proper sequencing in the delivery of benefits provided by these entities during the disaster recovery phase when most of the traditional disaster assistance programs are available.

In identifying potentially duplicative assistance, SCOR must also determine whether the assistance provided by another potentially duplicative source is reasonably available to the applicant. SCOR's approach in determining the meaning of "availability" is derived from the ordinary meaning doctrine. (FDIC v. Meyer, 510 U.S. 471 (1994); Asgrow Seed Co. v. Winterboer, 513 U.S. 179 (1995). Under this doctrine, when terms used in a statute are undefined, we give them their ordinary meaning. Consistent with this approach, the meaning of availability may be derived from its ordinary dictionary definition. Merriam-Webster defines available as "present or ready for immediate use" and "accessible or obtainable."

SCOR will conduct on a case-by-case basis fact specific reviews to determine what duplicative assistance is available to the individual, family, or other entity. Factors to be considered include but are not limited to, did the applicant (1) act in a reasonable manner to receive assistance but was unable to timely secure funds, (2) did the applicant have legal control over the assistance that it received, or (3) can the applicant reasonably anticipate receipt of other assistance in a timely manner.

SCOR is committed to providing timely assistance. Therefore, SCOR will not withhold awarding projects because a person, household, business, non-profit, or local government may be entitled to receive benefits for the same purposes from another source, if, they have not received such other benefits by the time of application for assistance, and the applicant agrees to repay all duplicative assistance.

If duplicative funds are awarded subsequently, SCOR will coordinate with the awarding agency to recapture the funds.

Applicability

DOB applies to all SCOR Hurricane Helene CDBG-DR Mitigation Set-Aside programs, including but not limited to:

- Stormwater Infrastructure Projects;
- Mitigation Planning Activities;
- Voluntary Buyout Programs;
- Property Acquisition and Demolition;
- Plans and Studies Programs; and
- Other mitigation activities authorized under the SCOR Action Plan.

Sources of Assistance Subject to DOB Review

SCOR shall evaluate all reasonably available sources of disaster assistance. If available, SCOR will identify and verify all reasonably identifiable assistance received or reasonably anticipated, including FEMA Individual Assistance, Public Assistance, and Hazard Mitigation Assistance; SBA and other subsidized disaster loans; NFIP and private insurance proceeds; USACE assistance; cash awards and grants; state and local disaster assistance; and other federal, state, local, nonprofit, or private resources. Private loans obtained at market terms are not financial assistance for the DOB calculation. Subsidized loans are financial assistance unless an exclusion or exception under the Universal Notice applies.

Assistance Not Considered a DOB

- The following are generally not considered duplicative:
  • Assistance for a different purpose;
  • Funds used for a different eligible activity;
  • Voluntary labor;
  • Donations of materials;
  • Private charitable assistance designated for non-duplicative purposes;
  • Funds returned to the source provider;
  • Declined or Cancelled SBA loans;
  • Forgiven loans, when allowed by HUD guidance;
  •Assistance from a source that is not reasonably available

DOB Calculation Methodology

Step 1 - Determine Total Need. SCOR will determine the total eligible need using damage inspections, engineering reports, appraisals, cost estimates, scopes of work, and other supporting documentation.

Step 2 - Identify Total Assistance. SCOR will identify and verify all reasonably identifiable assistance received or reasonably anticipated for the activity.

Step 3 - Identify Exclusions. SCOR will document amounts provided for a different purpose, amounts used for a different allowable cost, funds not legally or practically available, and other exclusions or exceptions permitted by the Universal Notice.

Step 4 - Calculate DOB. DOB = Total Assistance - Allowable Exclusions.

Step 5 - Calculate the CDBG-DR Award. Maximum CDBG-DR Award = Total Need - DOB. The final award may be further limited by a program cap, cost reasonableness, available funding, or other program requirements. SCOR will complete and retain the applicable DOB worksheet, supporting documentation, verification results, reviewer approval, and any award adjustment in the System of Record.

FEMA and USACE Availability and Recapture Review

When reasonably available, before committing CDBG-DR funds, SCOR will document whether FEMA or USACE assistance is available for the proposed activity, including whether an applicable application period is open, and whether any proposed activity cost is eligible or reimbursable by FEMA or USACE. CDBG-DR funds will not pay an activity cost that is available or reimbursable from FEMA or USACE. This prohibition does not prevent CDBG-DR from paying an otherwise eligible non-federal cost share when the CDBG-DR amount is assigned only to the non-federal share, is not included in the federal reimbursement, meets a national objective, and is supported by a documented cost allocation.

Reassessment of Need and Assistance

Using the best available data, SCOR will reassess total need and total assistance when circumstances materially change and, at a minimum, before final award and before final disbursement or real estate closing. A reassessment may be triggered by revised engineering or appraisal information, cost changes, newly received or anticipated assistance, a subsequent disaster, a change in project scope, or evidence that an earlier estimate no longer reflects the eligible need. SCOR may require an updated inspection, estimate, appraisal, assistance verification, or applicant certification and will revise the award and DOB worksheet when warranted.

SBA Loan Requirements

SCOR will evaluate SBA and other subsidized loans under Appendix C of the Universal Notice. Declined or cancelled loan amounts are excluded when supported by documentation. Accepted or disbursed subsidized-loan assistance and any other amount reasonably available for the same purpose and allowable cost will be included unless a documented exception applies. Private loans obtained at market terms are not financial assistance for purposes of the DOB calculation.

Insurance Requirements

Applicants must disclose all insurance proceeds received or anticipated.

Using the best available data, SCOR will:
- Verify insurance proceeds;
- Require flood insurance compliance where applicable;
- Deduct duplicative insurance proceeds from awards; and
- Ensure mitigation funding does not replace coverage required under federal law.

Voluntary Buyout DOB Requirements

For voluntary buyout activities:

- Post-disaster acquisitions shall be reduced by duplicative assistance received for the same property purpose;
- Demolition and clearance costs may be separately evaluated;
- Mitigation incentives, when authorized by HUD, shall not automatically constitute DOB; and
- FEMA HMGP acquisition funds shall be coordinated to avoid duplication.

Homeowners are not penalized for funds spent on a different purpose. If a homeowner receives a $20,000 insurance check but proves through receipts/inspections that they spent it on intermediate roof repairs to keep the home habitable, that amount is considered spent on a *different temporary purpose* and will not reduce their buyout purchase price.

For each Owner, SCOR will identify and document the purpose for which prior assistance was provided and how the Owner used that assistance. Amounts provided for a different purpose, or for the same purpose but used for a different allowable cost, may be excluded only when supported by receipts, inspections, lender documentation, payment records, or other reliable evidence. Unused amounts available for the same purpose as the CDBG-DR buyout will be treated as duplicative and deducted from the award or remitted to SCOR at closing, as applicable. The DOB Worksheet in Appendix 19 will document the analysis.

Infrastructure Projects

Using the best available data, SCOR will ensure:

- No duplication between federal funding streams;
- Segregation of funding by scope;
- Separate cost allocation methodologies;
- Proper procurement documentation; and
- Clear documentation of unmet mitigation need.

If a subrecipient received federal funds for a *different* project (e.g., wastewater treatment plant repairs), those funds are **not** duplicative of the new stormwater project. Only funds tied to the exact geographic coordinates and scope of work of the proposed stormwater asset are subtracted.

Plans and Studies Projects

SCOR will use the best available data to ensure that plans, hydrologic and hydraulic studies, feasibility, watershed, and resilience studies funded with CDBG-DR Mitigation Set-Aside funds are not duplicative of studies or planning activities funded through FEMA, state appropriations, or other federal or state sources within the past 3 years. SCOR will document the distinct purpose, scope, geographic coverage, and deliverables associated with all planning and study activities.

For Plans and Studies Projects, a DOB only occurs if another entity's program has provided the exact same scope of work (e.g., the exact same watershed hydrology study). Broad planning grants for other regions or generalized state data-gathering do not create a duplication of benefits.

Recapture and Subrogation

CDBG-DR Community Development Block Grant – Disaster Recovery (CDBG-DR) Mitigation Set-Aside funds may not duplicate another source and must be collected. Therefore, awardees and beneficiaries must execute a legally binding Subrogation Agreement. If a project or homeowner receives subsequent insurance payouts or federal hazard mitigation funds for the same purpose after the CDBG-DR Mitigation Set-Aside award is finalized, they must immediately notify SCOR and return the duplicative portion of the funds

As a condition of accepting an award from a SCOR CDBG-DR Mitigation Set-Aside Program, applicants are required to sign subrogation and recapture/repayment clauses and agreements, as required by HUD and as set in policy for each SCOR CDBG-DR Mitigation Set-Aside Program. Further, SCOR will not disburse funds to an applicant until such agreements are signed by the applicant. The required Subrogation and Award Agreement requires that applicants notify the program of any DOB received and repay any duplicative assistance received, including repayment of any assistance received later that is for the same purpose as the CDBG-DR, Mitigation Set-Aside funds awarded. The subrogation agreement/clause also states that such DOB funds may affect the applicant's award amount by reducing it by the amount of the DOB (at the time of application, award, or time of duplication).

Every subrogation or recapture agreement must include the following warning: "Warning: Any person who knowingly makes a false claim or statement to HUD or causes another to do so may be subject to civil or criminal penalties under 18 U.S.C. 2, 287, 1001 and 31 U.S.C. 3729."

Documentation Requirements

Applicants must provide:

• Insurance documentation;
• FEMA award letters;
• SBA loan documentation;
• Benefit statements;
• Affidavits and certifications;
• Project cost documentation;
• Copies of applications for any assistance submitted to other agencies for the same purpose;
• Any other documents required by SCOR.

Applicant Certifications

All applicants shall certify:
1. All disaster assistance has been disclosed;
2. Information provided is true and complete;
3. Duplicate assistance will not be retained;
4. Future assistance received for the same purpose must be reported; and
5. SCOR may recapture duplicative funds.

Monitoring and Quality Control

SCOR will use a documented DOB checklist and worksheet for each applicant or entity; require separation of preparer and reviewer functions when practicable; verify source documentation; perform supervisory quality-control reviews; reconcile DOB determinations before award, disbursement or closing, and closeout; and monitor compliance with subrogation and recapture agreements for a period commensurate with risk. Any discrepancy, additional assistance, or changed need will be resolved and documented before the affected funds are disbursed or the file is closed.

SCOR will implement:
• DOB review checklists;
• Internal quality assurance reviews;
• Periodic monitoring; and
• reporting compliance measures.

Appeals

Applicants may appeal DOB determinations within thirty (30) calendar days of notice.

Appeals must:
• Be submitted in writing;
• Include supporting documentation; and
• Identify the specific determination being appealed.

Recapture of Funds

SCOR shall recapture duplicative assistance when:
• Additional assistance is received after award;
• Misrepresentation is identified;
• Calculation errors occur; or
• HUD determines duplication exists.

Record Retention

SCOR shall retain DOB records in accordance with federal record retention requirements and HUD guidance.

Subrogation

SCOR will monitor compliance with each subrogation and recapture agreement for a reasonable period commensurate with risk. At a minimum, SCOR will reassess DOB before award, before final disbursement or real estate closing, at project closeout, and through a post-completion certification approximately one year after completion. SCOR may extend monitoring when additional assistance remains pending or reasonably anticipated, a subsequent disaster changes need, the project has a longer closeout or affordability period, or other facts increase the risk of duplication. Monitoring results and any recovery action will be documented in the System of Record.

If applicants receive additional assistance after award:

- Applicants must notify SCOR within thirty (30) days; and
- SCOR shall reevaluate DOB;

To ensure continued compliance with the subrogation agreement, recipients will be required to complete a Duplication of Benefits (DOB) form once one year has passed since their project's completion date. The form will ask recipients to identify any duplicative funding they have received since the project's completion.

Waivers and Amendments

SCOR reserves the right to amend this policy to reflect HUD guidance updates, Action Plan amendments, or federal waiver approvals.

3.01 DAVIS-BACON & RELATED ACTS LABOR STANDARDS

The South Carolina Office of Resilience (SCOR) will follow the Davis-Bacon and Related Acts Labor Standards in the execution of projects related to its HUD-funded Community Development Block Grant-Mitigation (CDBG-DR). This section offers a brief description of the laws and regulations associated with federal labor standards administration and enforcement, including labor standards compliance and documentation requirements for Davis-Bacon and related acts. The US Department of Labor has published a guide for construction contractors (See Davis-Bacon Forms & Documents or DBFD #1 – HUD Construction Contractor Labor Standards Guide 4812). This Information is also available at the following HUD website link: https://www.hud.gov/program_offices/administration/hudclips/handbooks/sech/13441

The Office of Davis-Bacon and Labor Standards (DBLS) is responsible for HUD’s overall compliance with the federal prevailing wage requirements applicable to HUD funded CDBG-DR programs. Title I of the Housing and Community Development Act of 1974 requires the payment of local prevailing wage rates as determined by the U.S. Department of Labor to all workers on CDBG-DR funded construction projects costing over $2,000 (42 USC §5310; 40 USC 3142(d)). These requirements apply regardless of whether contracts are acquired through sealed bid, small purchase, or non-competitive proposal (sole source) procurement processes.

The following are examples of CDBG-DR financed activities not considered “construction work” and which do not trigger Davis-Bacon and related requirements:

- Real property acquisition (buyouts)
- Architectural and engineering fees
- Other professional services such as legal, accounting, or testing and
- Other non-construction items such as furniture, business licenses, or real estate taxes

Objectives

When administering construction projects, the Davis-Bacon Act requires five (5) key labor standard objectives to be accomplished to enforce its requirements and protect workers' rights. Davis-Bacon applies to prime contractors and subcontractors performing work on federally funded or assisted contracts costing over $2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Davis-Bacon also applies to residential construction for any project involving the construction, alteration, or repair of eight or more separate, contiguous single-family houses operated by a single entity as a single project, or eight or more units in a single structure.

<u>Davis-Bacon Labor Standards Compliance Objectives for Applicable Projects:</u>

- Employ Davis-Bacon requirements appropriately
- Confirm compliance with labor standards
- Monitor contractor/subcontractor performance
- Investigate probable violations and complaints of underpayment and
- Pursue debarment and other available sanctions against repeat labor standards violators

Compliance Actions Essential for Achieving Davis-Bacon & Related Acts Standards

SCOR is responsible for compliance with all applicable wage enforcement and labor standards contained in the Davis-Bacon Act, Contract Work Hours & Safety Standards Act (CWHSSA), Copeland Act (Anti-Kickback Act), Fair Labor Standards Act (FLSA), McNamara-O'Hara Service Contracts Act, and other related acts for its self-run construction projects and those run by its subrecipients of CDBG-DR funding. Each of SCOR-MIT's CDBG-DR funded subrecipients is responsible for its prime contractor and subcontractor compliance with all applicable wage enforcement and labor standards contained in the Davis-Bacon Act, Contract Work Hours & Safety Standards Act (CWHSSA), Copeland Act (Anti-Kickback Act), Fair Labor Standards Act (FLSA), McNamara-O'Hara Service Contracts Act, and other related acts while they work on CDBG-DR funded construction projects.

To ensure compliance at both the grantee and subrecipient levels with these requirements, SCOR has established a series of ten (10) specific compliance actions. SCOR will implement these compliance actions itself and make them mandatory for its CDBG-DR funded subrecipients to implement them in partnership with their prime contractors and subcontractors <u>prior to the start of any actual construction</u>. These specific compliance actions are:

Compliance Action 1 – Appoint Labor Standards Compliance Officer & Coordinator (LSCO/LSCC)

Each subrecipient of CDBG-DR funding must appoint a Labor Standards Compliance Officer (LSCO) to oversee its construction projects. Each prime contractor must appoint a Labor Standards Compliance Coordinator (LSCC) to oversee the activities of itself and its subcontractors at its construction projects. Both LSCOs and LSCCs are required positions for construction activities. These positions may be an employee or a designee of a private consulting firm; however, they must understand HUD's compliance requirements with federal prevailing wage obligations applicable to HUD funded CDBG-DR projects. Prime contractor LSCCs will be the subrecipient LSCO's point of contact for all wage and labor standards communication related to the prime contractor construction projects (including subcontractors working under the prime contractor). The subrecipient LSCO will be SCOR's point of contact for all wage and labor standards communication related to the subrecipient's Infrastructure grant. Each subrecipient prime contractor must complete and submit to the subrecipient a Labor Standards Coordinator Designation Form designating its LSCC. Each subrecipient must complete and submit to the SCOR's Mitigation Infrastructure Manager a Labor Standards Officer Designation form designating its LSCO along with copies of each of its prime contractor's Labor Standards Coordinator Designation Forms (*See DBFD #2 – LSCO/LSCC Designation Form*).

At the prime contractor and subcontractor levels, LSCCs are responsible for regulatory administration and enforcement of all federal wage and labor standards requirements in all agreements covered by the provisions contained in Davis-Bacon and related acts; and are accountable to the subrecipient LSCO.

At the subrecipient level, the LSCO is responsible for regulatory administration and enforcement of all federal wage and labor standards requirements in all agreements covered by the provisions contained in Davis-Bacon and related acts; and are accountable to the SCOR Mitigation Infrastructure Manager. Davis-Bacon and related act responsibilities for LSCCs and LSCOs include:

- Providing wage enforcement and labor standards preconstruction advice, and support to other project principals (for example, the owner, sponsor, or architect), to include ensuring no prime or sub-contract is awarded to a construction contractor or subcontractor ineligible (i.e., debarred) for federally assisted work,
- Providing the proper Davis-Bacon prevailing wage rate and ensuring that wage rate and applicable provisions are incorporated into all construction contracts and subcontracts,
- Monitoring wage enforcement and labor standards compliance by conducting interviews with workers at job sites,
- Reviewing weekly payroll reports and ensuring applicable Davis-Bacon wage rates,
- Checking to make sure the Department of Labor's "Notice to All Employees" federal posters are displayed at job sites (*See DBFD #3 – US DOL's "Notice to All Employees" Federal Poster*), and
- Overseeing any enforcement actions that may be required.

Compliance Action 2 – **Obtain Applicable Wage Decisions**

Prime contractor LSCCs must obtain all applicable Wage Decisions for each specific CDBG-DR funded construction contract greater than $2,000 where Davis-Bacon and related acts (DBRA) apply (*See DBFD #4 – Sample Wage Decision*), and forward copies of those Wage Decisions to their subrecipient LSCO. Subrecipient LSCOs must forward a copy of all Wage Decisions for each of their projects to the SCOR-MIT Infrastructure Manager. LSCCs can pull their Wage Decisions at https://beta.sam.gov/. Wage Decisions are modified regularly to ensure they remain current and include:

- A list of construction work classifications (Carpenter, Electrician, Plumber, Laborer, etc.)
- Minimum wage rates, fringe benefits and the prevailing wage rate geographic location for each classification
- Each classification's assigned category group (Heavy, Highway, Building, and Residential Construction)
- The geographic areas to which each Wage Decision applies and

- The specific contract specifications to identify the segments of work to which the schedules apply for advertised and contract stipulations. The following descriptions are provided as guides:

  a. Highway Construction – Highway projects include the construction, alteration or repair of roads, streets, highways, runways, taxiways, alleys, trails, sidewalks, paths, parking areas, and other similar projects not incidental to residential, building, or heavy construction.
  b. Building Construction – Building construction generally is the construction of sheltered enclosures with walk-in access for the purpose of housing persons, machinery, equipment, or supplies. It includes all construction of structures and residential structures, the installation of utilities, and the installation of equipment, both above and below grade level, as well as incidental grading, utilities, and paving. Additionally, such structures need not be "habitable" to be building construction. The installation of heavy machinery and/or equipment does not generally change the project's character as a building.
  c. Residential Construction – Residential projects include the construction, alteration, or repair of single-family houses, apartment buildings of no more than four stories in height. This includes all incidental items such as site work, parking areas, utilities, streets, and sidewalks. Property is defined as one or more buildings on an undivided lot or on contiguous lots/parcels which are commonly owned and operated as one rental or project.
  d. Heavy Construction – Heavy projects are those projects that are not properly classified as either building, highway or residential. Unlike these classifications, heavy construction is not a consistent classification. Because of this catch-all nature, projects within the heavy classification may sometimes be distinguished based on a project's particular characteristics, and separate schedules issued. For example, separate schedules may be issued for dredging projects, water and sewer line projects, dams, major bridges, and flood control projects.

Compliance Action 3 – Include Wage Decisions in Bid Documents

- All subrecipient construction work procured through sealed bid or small purchase procurement must include in the bid documents:
  a. Wage Decisions including any modifications
  b. A review the various Wage Decisions for each county
  c. The Wage Decisions most appropriate for the work to be done and
  d. Include the type of work and locations where each Wage Decision is applicable in each Wage Decision's first paragraph.

Compliance Action 4 – **Ensure Wage Decisions are Current Before Bid Openings**

Subrecipient LSCOs must confirm all Wage Decisions contained in bid specifications for construction contracts are still current for the bid opening date. Each LSCO must re-verify the Wages Decisions and complete the Ten (10)-Day Confirmation form ten (10) calendar days or less before the bid opening. The completed Ten (10)-Day Confirmation form, signed by the LSCO, and a copy of the current Wage Decision must be retained in the local SCOR-MIT Program Agreement file, and a copy of the entire packet sent to LSCCs (*See DBFD #5 – Ten-*

Day or TD Confirmation Form). The date each Wage Decision was confirmed by the LSCO must be recorded as follows:

- For Housing – The "Bid Open Date" is the "Notice to Proceed Date."
- For Competitive Sealed Bid – The 'Bid Open Date' is the date sealed bids are opened.
- SCOR considers 5 or more days prior to bid opening to be a reasonable amount of time to notify prospective bidders per HUD handbook 1344.1 (3-10(A).
- LSCOs must retain copies of the addenda issued notifying bidders of the new wage rates, if applicable.
- Modifications to Wage Decisions published by DOL less than five (5) days before bid opening may be disregarded if found and there is not sufficient time to notify bidders. However, if this occurs, the LSCO should create a written explanation to retain in the local SCOR Mitigation Program Subrecipient Agreement file.
- The Ten (10)-Day Confirmation form does NOT "lock in" wage rates. Rather:
    a. For Housing – Wage Decisions "Lock-In" at the construction contract award or start of construction, whichever occurs first.
    b. For Infrastructure – Wage Decisions "Lock-In" at bid opening provided the construction contract is awarded within 90 days. However, for construction contracts awarded beyond 90 days, LSCOs must reconfirm the Wage Decisions.

Compliance Action 5 – **Confirm Eligibility Status on Recommended Construction Contractors**
Prior to awarding and executing any construction contract, subrecipient LSCOs must verify the eligibility of prime contractors and their subcontractors. To accomplish this LSCOs must:

- Use the System of Award Management (SAM) website at https://www.sam.gov/SAM/ to confirm:
    a. All prime contractors and their subcontractors have active SAM registrations and are not listed as "debarred" in the System for Award Management (SAM) and
    b. Document the eligibility check was conducted in their local SCOR-MIT Program Agreement file.

Compliance Action 6 – **Award Appropriate Construction Contracts**
Each construction contract awarded by a subrecipient that is subject to Davis-Bacon and related act wage enforcement and labor standards requirements must:

- Contain applicable wage enforcement and labor standards compliance stipulations including:
    a. The wage enforcement and labor standards responsibilities and obligations of prime construction contractors and subcontractors,
    b. Remedies in the event of violations, including:
        - Withholding payments due the construction prime contractors and/or subcontractors to ensure payment of wages or liquidated damages, and
        - Enabling enforcement of the labor standards applicable to the project by the LSCO
    c. As a best practice, subrecipients should incorporate HUD Labor Standards form 4010 into their construction contracts and provide it to contractors and subcontractors with other pre-construction documentation (*See DBFD #6 – HUD Labor Standards Form 4010*),
- Contain applicable Davis-Bacon Wage Decisions, and
- Include notice that if a construction contract has not been awarded within 90 days after bid opening, any Wage Decision modification published prior to the award of the construction contract will be effective for that construction contract.

Compliance Action 7 – **Request Additional Classifications & Wage Decisions as Appropriate**
Subrecipient LSCOs may request additional classifications in writing along with a copy of the applicable Wage Decisions for select construction contracts as requested by contractors and deemed proper.

- Such requests must represent what the employer (prime contractor or subcontractor) wants to pay workers performing a particular set of duties and meet the following US Department of Labor (US DOL) regulations:
  a. The work to be performed by the additional classification must not be performed by a classification already on an applicable Wage Decision
  b. The classification must be used by the construction industry in the project area
  c. The proposed wage rate and any fringe benefits must bear a reasonable resemblance to the rates on the Wage Decision
  d. Generally, a wage rate proposed for a trade classification (such as an Electrician) must be at least as much as the lowest wage rate for other trade classifications already contained in the Wage Decision. Trade classifications are generally all work classifications, excluding Laborers, Truck Drivers, and Power Equipment Operators and
  e. Requests for Equipment Operators must specify the type(s) of equipment involved, and the proposed wage rate(s) must be at least as much as the lowest wage rate for any Power Equipment Operator that appears on the Wage Decision.
- Subrecipient LSCOs must make their request for a determination to the US DOL and understand it may take 6-8 weeks to receive an official response. Upon receiving US DOL's response:
  a. LSCOs must forward a copy of the response to the SCOR Mitigation Infrastructure Manager, the LSCC for the applicable prime construction contractor and/or subcontractors; and require the prime construction contractor to post a copy of the response onsite.
  b. If US DOL does not approve the request, US DOL's response letter will include the conformance or approved wage rate that should be used for the work classification requested, and instructions about how to ask US DOL for reconsideration if the subrecipient would like to pursue the issue further. If the subrecipient decides to appeal, its LSCO must inform the SCOR-MIT Infrastructure Manager.
  c. If construction ends on a project prior to receiving US DOL's formal response, it must not delay or prevent the LSCO from submitting the Final Wage Compliance Report or Project Completion Report within required timeframes (*See DBFD #7 – Final Wage Compliance or FWC Report & #8 – Project Completion or PC Report*).

Compliance Action 8 – **Review Labor Standards & Requirements in Pre-Construction Conference**
Subrecipient LSCOs must hold pre-construction conferences with developers, owners, engineers, architects, prime contractors, subcontractor(s), inspector(s), a SCOR-MIT representative, and all applicable utility companies <u>prior to the start of any actual construction</u> (*See DBFD #9 – Outline of Discussion Items for Pre-Construction Conference*).

- At the pre-construction conference, LSCOs must document and retain in their local SCOR-MIT Program Agreement file:
  a. The pre-construction conference minutes, including
     - A list of attendees and
     - An outline of the required federal/state labor requirements.
  b. Each pre-construction conferences should include:
     - A review for all parties regarding their responsibilities and obligations on a federally funded or federally assisted project

- Discussion of applicable federal, state, local, and program guidelines
- A review of all construction details, time frame of project, payment requirements, and labor standards requirements and penalties for failure to comply with requirements
- An opportunity for the delivery or exchange of items between attendees such as:
  - Bonds and/or certificates of insurance
  - Wage Decisions and/or any additional classifications,
  - Instructions that will assist in completing the project
  - Davis Bacon & labor related project signage, which may be found at the following website: https://www.dol.gov/whd/regs/compliance/posters/davis.htm)

c. Discussion of any applicable special conditions identified in the SCOR-MIT Program Agreement and Construction Contract.

- In addition, prime contractors must be informed that in addition to any required temporary or permanent signage found in construction contracts, they must also post at the job site:
  a. All Wage Decisions
  b. The DOL Davis-Bacon poster entitled "Employee Rights under the Davis-Bacon Act" in a place that is easily accessible to all construction workers employed at the project
  c. A notice for any additional classification(s) requested and the associated Wage Decision if requests for additional classification(s) were made to DOL through the LSCO as described in Compliance Action 7 above
- Pre-construction conference documentation including the minutes and a list of attendees must be kept in the subrecipient's local SCOR Mitigation Program Subrecipient Agreement file.

Compliance Action 9 – Submit Labor Standards, Financial Interest, Construction & Other Reports

- Subrecipient LSCOs must prepare and submit to the SCOR Mitigation Infrastructure Manager Labor Standards Compliance Records (LSCRs) and Conflict of Interest Disclosures (COIDs) for each construction project as detailed in the following directions:
  a. An LSCR is required for each construction contract greater than $2,000,
  b. The LSCR must include the prime contractor for the project and list all subcontractors,
  c. COIDs must be submitted on all prime contractors and subcontractors,
  d. Initial LSCRs and COIDs for each project must be submitted after the pre-construction conference is held, and prior to the first Request for Payment for construction work under the construction contract,
  e. If subcontractors change during the construction period, a Supplemental LSCR and COID must be submitted to record the change in subcontractors, and
  f. A Final Wage Compliance Report signed by the LSCO is required for each construction contract subject to Davis-Bacon.
- A final inspection is required for each construction contract and documented acceptance of the project must be signed by the prime contractor, engineer, subrecipient LSCO, and the SCOR Mitigation Infrastructure Manager.
  a. All required documentation must be received and approved prior to reimbursement of the final draw for each construction contract and the final engineering draw, and

b. All documents are required to satisfy the construction contractor's obligations and must be completed and submitted prior to the contractor's final payment (*See DBFD #7 – FWC Report, #10 - Labor Standards Compliance or LSC & #11 – Conflict of Interest Disclosure or CID Form*).

Compliance Action 10 – **Review & Validate Project Payrolls During Construction**

- Subrecipient LSCOs must ensure prime contractors and subcontractors are filing weekly certified payroll reports beginning the first week work is done on each project and every week afterward until work is completed on each project (*See DBFD #12 – US DOL Weekly Certified Payroll Report & #13 – Instructions for Completing US DOL Weekly Certified Payroll Report*).
- Subrecipient LSCOs or their designated inspectors must review weekly payrolls and related submissions in a timely manner to ensure labor standards requirements have been met (*See DBFD #14 – Certified Payroll Review or CPR Checklist/Restitution Worksheet*) including:
  a. Confirmation workers are properly listed on the payroll for the days, work classification, and rate of pay (when compared to employee interview forms),
  b. Payrolls are completed and signed,
  c. Employees are paid no less than the wage rate for the work classification shown as set by the applicable Wage Decision,
  d. Apprentice and trainee certifications are submitted,
  e. Employee authorizations for other deductions are submitted, if applicable,
  f. Evidence is available to prove payroll reviews by the prime contractor LSCC are being done, which may include:
     - The LSCC's initials on the weekly certified payroll reports, and/or
     - The signing of the employee interview forms by the LSCC.
- Site visits to project sites must be conducted by subrecipient LSCOs to validate project payrolls. During such visits, subrecipient LSCOs will (*See DBFD #15 – HUD Record of Employee Interview*):
  a. Interview a proportion of the workers concerning their employment on each project,
  b. Immediately notify the SCOR Mitigation Infrastructure Manager if a review finds discrepancies or errors,
  c. Provide information to the SCOR Mitigation Infrastructure Manager concerning what steps are being taken to correct any noted deficiencies.
  d. Ensure all prime contractors and subcontractors make their employees available for interviews at job site visits by an LSCC, LSCO, SCOR Mitigation Program representative, HUD representative or US DOL representative,
  e. Safeguard that interviews cause as little disruption as possible to a project's on-going work,
  f. Document all employees not available for an interview to include:
     - The site visit date,
     - The reason each absent employee was not available, and
     - An attempt was made to obtain the required information through other means, such as sending mailed questionnaires.
  g. Record the type of work each employee interviewee performs and their rate of pay,
  h. Conduct and maintain interviews as confidential,
  i. Choose classifications representative of employees on each project, and

j. Ensure interviews are of sufficient quantity and quality to document that project workers are paid at least the minimum prevailing wage rates.

Restitution for Underpayment of Wages

Where underpayments of wages have occurred, employers must pay wage restitution to the affected employees. Wage restitution must be paid promptly in the full amounts due, less any permissible and authorized deductions. Subrecipient LSCOs must use the following process for handling underpayment of wages and restitution:

- Notification to the Prime Contractor/Subcontractor. – Subrecipient LSCOs must notify the prime contractor LSCC in writing of any underpayments found during a payroll or other review (*See DBFD #16 – Notice of Wage Compliance Findings*). This notification must include:

  a. A description of the underpayments and a copy of the Wage Restitution & Overtime Underpayment Calculation form documenting the restitution that must be paid (see below),
  b. Notice that the prime contractor has thirty (30) days to correct the underpayments and provide documentation back to the LSCO that restitution was paid, and
     - If the employer is a subcontractor, the notice will go to the prime contractor LSCC, who will then notify the subcontractor (and copy the notification to the subrecipient LSCO) detailing the same requirements explained in a and b above to the subcontractor.
     - The subcontractor will also have thirty (30) days to correct the underpayments and provide documentation to the prime contractor LSCC that restitution was paid, and
     - The prime contractor LSCC will then forward a copy of that documentation to the subrecipient LSCO.
  c. Whenever a subrecipient LSCO finds an underpayment of wages, they must immediately notify the SCOR-MIT Infrastructure Manager of such and keep he or she updated on actions taken and reply documentation received until the incident is fully resolved.

- Computing wage restitution. – To compute the wage restitution, subrecipient LSCOs will:
  a. Determine the difference between the wage rate paid to each affected employee and the wage rate required on the Wage Decision for all hours worked where underpayments occurred, which is called the adjustment rate, and
  b. Multiply the adjustment rate by the number of hours involved to determine the gross amount of restitution due (*See DBFD #14 – CPR Checklist/Restitution Worksheet*).

- Overtime and Underpayment. – Overtime hours are defined as all hours worked on the work site more than forty (40) hours in any work week. Overtime hours must be paid at no less than one and one-half times the regular rate of basic pay plus the straight-time rate of any required fringe benefits. For purposes of these policies this will be called the minimum overtime rate. If the employees did not receive at least the minimum overtime rate for any overtime hours worked on a project, the following must occur (*See DBFD #14 – CPR Checklist/Restitution Worksheet*):
  a. If the project is greater than $100,000 and is therefore subject to Contract Work Hours and Safety Standards Act (CWHSSA) overtime requirements, the subrecipient LSCO must require the prime contractor or subcontractor to pay wage restitution for all overtime hours worked on the project

b. If an LSCO finds underpayment of overtime by a prime contractor or subcontractor, he or she will follow the process in the Notification to the Prime Contractor/Subcontractor section above, immediately notify the SCOR-MIT Infrastructure Manager and keep he or she updated on actions taken and reply documentation received until the incident is fully resolved.
c. The employer will also be liable to the US Department of Labor for liquidated damages (overtime violation dollar penalty) computed at $25 per day per violation.
    - Once a subrecipient LSCO notifies the SCOR Mitigation Infrastructure Manager of the underpayment, the SCOR Mitigation Infrastructure Manager will:
        - Compute and document the employer's liquidated damages fine liability,
        - Notify the LSCC of the prime contractor and subcontractor in writing of the liquidated damages fine,
        - Request the employer(s) at fault send a check NLT sixty (60) days after the date on the notice payable to the South Carolina Office of Resilience in the amount of the liquidated damages to be processed on behalf of HUD/US DOL, and
        - Copy the subrecipient LSCO on all communications.
d. Employers may request a reduction or waiver of liquidated damages and are encouraged to do so if total the liquidated damages fine is $100.00 or less. To be successful, employers seeking a reduction or waiver must submit a written appeal under one or both of the following grounds:
    - The employer believes the computation of liquidated damages is erroneous, and/or
    - The employer believes the violation(s) occurred inadvertently notwithstanding the exercise of due caution on its part.
    - If the employer decides to request a liquidated damages fine reduction or waiver, it must:
        - Send a written request to the SCOR Mitigation Infrastructure Manager postmarked no later than 60 days after the date on the notice sent to the employer, and
        - Provide justification as to why the requested reduction or waiver is warranted.

- Payroll Corrections. – When payrolls are corrected, the LSCC of the prime contractor and/or subcontractor(s) is required to report to subrecipient LSCO the restitution paid on a correction certified payroll.
    a. This correction certified payroll must include:
        - The period for which restitution was due (for example, Payrolls #1 through #6; or a beginning date and ending date),
        - A list of each employee to whom restitution was due and their work classification,
        - The total number of work hours involved (daily hours are usually not applicable for restitution),
        - The adjustment wage rate (the difference between the required wage rate and the wage rate paid), and
        - The gross amount of restitution due, any deductions and the net amount to be paid.
    b. A verified signed correction certified payroll must be sent by the LSCC to the subrecipient LSCO.
    c. Subrecipient LSCOs will review all corrected payrolls from their projects to:
        - Ensure full restitution was paid,
        - Notify the LSCC of the prime contractor and/or subcontractor(s) in writing if any discrepancies are found, and

- As needed, notify the LSCC of the prime contractor and/or subcontractor(s) they are required to make additional payments and document those additional payments on a supplemental correction certified payroll NLT thirty (30) days after the date of the notice.

- Inability to Locate Worker(s). – Sometimes there are reasons why a wage restitution due because of the wrong wage rate and/or overtime underpayment cannot be paid to an affected employee (such as when an employee has moved and cannot be located). In such cases, at the end of the project, the LSCC of the prime contractor and/or subcontractor(s) is required to:
  a. Notify the subrecipient LSCO of this occurrence and send:
     - A Missing Employee Schedule that contains:
       - A list of all employees who could not be located,
       - The last known contact information for each of those employees, and
       - The amount of restitution due to each employee, and
     - A check made out to the South Carolina Office of Resilience for the total amount of restitution due for all employees on the schedule to the subrecipient LSCO.
  b. The subrecipient LSCO will then:
     - Notify the SCOR Mitigation Infrastructure Manager of the occurrence and
     - Forward both the schedule and funds to SCOR.
  c. Upon receipt of the unclaimed restitution funds from the subrecipient LSCO, the SCOR Mitigation Infrastructure Manager will:
     - Forward the funds to the Finance Department, which will:
       - Place the funds into a deposit or escrow account.
     - During the next three (3) year period, the SCOR Mitigation Infrastructure Manager or his or her designee will:
       - Retain the Missing Employee Schedule with all information on the missing employees and restitution funds due,
       - Make periodic attempts to locate the workers entitled to the restitution funds, and
       - If employees are located, make check requests to get restitution funds to them, and
       - Document all efforts made and transactions occurring during the period.
  d. At the end of the (3) year period, the SCOR-MIT Infrastructure Manager or his or her designee will:
     - Request a check made out to the South Carolina Treasurer's Office of Unclaimed Property (SCT-OUP) for the balance of restitution funds remaining in the escrow account, and
     - Send the check to the SCT-OUP along with:
       - The Missing Employee Schedule,
       - All documentation on restitution funds returned to former employees during the three (3) year period, if any, and
     - Closeout related files (*See DBFD #17 – Missing Employee or ME Wage Schedule*).

Labor Disputes

- Administrative Review on Labor Standards Disputes. – If there is a difference of opinion between a subrecipient LSCO and the LSCC of a prime contractor or subcontractor(s), the labor standards clauses provide for an administrative review of the issue(s) by the SCOR Mitigation Infrastructure Manager. Some common examples of such situations include:

a. Findings of Underpayment – A subrecipient LSCO's compliance reviews and other investigations may result in findings of underpayment, which the employer's LSCC disagrees with. In this situation the SCOR Mitigation Infrastructure Manager would ensure the employer would have an opportunity to provide additional information to the subrecipient LSCO that may explain any apparent inconsistencies and/or resolve the discrepancies.
b. Withholding of Payment – A subrecipient LSCO may withhold payments due to the prime contractor/subcontractor to ensure the payment of wages which are believed to be due and unpaid. For example, if wage underpayments or other violations are not corrected within 30 days after notification has been given to the prime contractor and/or subcontractor(s) the LSCO could decide to withhold payments. In this situation the SCOR Mitigation Infrastructure Manager would ensure the employer would have the opportunity to provide additional information to the subrecipient LSCO that may explain the perceived wage underpayment or other violations to have withheld payments released.

- <u>Deposits and Escrows</u>. – If corrective actions or disputes continue after a project is completed, provisions must be made to ensure funds are available to pay any wage restitution that is found.
  a. In such situations, the SCOR Mitigation Infrastructure Manager may allow the project to proceed to final closings and payment if:
     - o The prime contractor deposits an amount equal to any potential liability for wage restitution and liquidated damages, if necessary, into a special deposit/escrow account controlled by the subrecipient LSCO, and
     - o Agrees that the subrecipient LSCO can make disbursements from the account in accordance with final decisions on the matter when rendered.
  b. Such deposit/escrow accounts could be established for one or more of the following reasons:
     - o Where the parties have agreed to the amount of wage restitution that is due, but the employer has not yet furnished evidence all underpaid workers have received the back wages:
       - ➢ A deposit would be made by the employer equal to the amount of restitution due to workers not supported by adequate documentation of payment.
       - ➢ If proper documentation is received, the subrecipient LSCO would return the amount corresponding to the documentation to the prime contractor.
       - ➢ The amount for any workers who cannot be located would be held in the escrow account as described above in the Inability to Locate Worker(s) section.
     - o Where underpayments are suspected or alleged, and an investigation has not yet been completed, a deposit would be made by the employer equal to the amount of wage restitution and any liquidated damages, if applicable, that is estimated to be due.
       - ➢ If the final determination of wages due is less than the amount estimated and placed in the escrow account, the LSCO would reduce the escrow account to the final amount due and return the difference to the prime contractor.
       - ➢ If the parties agree to the investigative findings, the amounts due to the workers would be disbursed from the escrow account in accordance with the schedule of wages due. Any amounts remaining for unlocated workers would be retained as described in that section above.

        - If the parties do not agree and an administrative hearing is requested, the amount in the escrow account will be maintained until a final decision is made from the administrative hearing and then disbursed by the LSCO based on the results of that final decision.
    - Where parties are waiting for the outcome of an administrative hearing that has been or will be filed contesting a final determination of wages due, the deposit made by the employer must equal the amount of wage restitution and liquidated damages, if applicable, that have been determined due.
        - Once a final decision is rendered, disbursements by the LSCO from the escrow account will be made in accordance with the decision.

Exemptions

Except for situations listed in this section, all workers employed by contractors or subcontractors in the performance of construction work financed in whole or in part with CDBG-DR assistance received from the SCOR Mitigation Program must be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended.

- The following contracts and activities are exempt from Davis-Bacon requirements and related act labor standards except where indicated:
    a. Prime Construction contracts of $2,000 or less,
    b. Single-Family, Owner-Occupied Residences,
    c. Rehabilitation of residential properties designed for fewer than eight (8) families,
    d. Volunteer labor if nominal benefits cannot be tied to productivity, hours worked, or in any way be construed as wages,
    e. Employees of SCOR (force account labor),
    f. Private or local funds used for rehab or construction unrelated to a Community Development Block Grant (CDBG) assisted project,
    g. Holding/maintaining properties (land bank),
    h. Some demolition activities may be exempt. However, demolition, clearance, and debris removal are covered by DBRA when planned as part of the same construction contract or subsequent construction which is part of a future construction project under another DBRA eligible activity,
    i. Professional service activities such as acquisition, engineering, architectural, and administrative services are exempt and do not require an LSR, and
    j. Labor and/or installation charges on equipment or material purchases if that portion of the contract is less than 13% of the total cost of the item(s) purchased.
- Construction Contracts of $100,000 or less are exempt from Contract Work Hours and Safety Standards Act (CWHSSA) only.
- Convict labor is subject to DBRA, there are no exemptions for convict and/or prison inmate labor on DBRA covered contracts unless another exemption applies.

Davis-Bacon Forms & Documents

The following list may be requested as needed:

a. DBFD #1 – HUD Construction Contractor Labor Standards Guide 4812
b. DBFD #2 – LSCO/LSCC or Labor Standards Compliance Officer/Coordinator Designation Form

c. DBFD #3 – US Department of Labor's "Notice to All Employees" Federal Poster
d. DBFD #4 – Sample Wage Decision
e. DBFD #5 – Ten-Day (TD) Confirmation Form
f. DBFD #6 – HUD Labor Standards form 4010
g. DBFD #7 – FWC or Final Wage Compliance Report
h. DBFD #8 – PC or Project Completion Report
i. DBFD #9 – PCC or Pre-Construction Conference Outline
j. DBFD #10 – LSC or Labor Standards Compliance Record
k. DBFD #11 – CID or Conflict of Interest Disclosure Form
l. DBFD #12 – US DOL Weekly Certified Payroll Report Form
m. DBFD #13 – Instructions for Completing US DOL Weekly Certified Payroll Report Form
n. DBFD #14 – CPR or Certified Payroll Review Checklist/Restitution Worksheet
o. DBFD #15 – HUD Record of Employee Interview
p. DBFD #16 – Notice of Wage Compliance Finding(s)
q. DBFD #17 – ME or Missing Employee Wage Schedule

UNIFORM RELOCATION ACT (URA)

URA Overview

SCOR will assist displaced households and achieve compliance with the Uniform Relocation and Real Property Acquisition Policies Act of 1970 (URA).

The FHWA (Federal Highway Administration) made a Final Ruling regarding the URA for URA for Federal and Federally Assisted Programs with an effective date of June 3, 2024. The Uniform Relocation Assistance and Real Property Acquisition Act (URA) is a federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The URA's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects.
49 CFR Part 24 is the government-wide regulation that implements the URA. HUD Handbook 1378 provides HUD policy and guidance on implementing the URA and 49 CFR Part 24.

SCOR's policies and procedures apply to a **tenant(s) involuntarily displaced** due to the buyout of property for federal or federally funded projects injuries. These policies are written for the purpose of the Voluntary Buyout Programs. However, in the event the Disaster Recovery Housing Programs and/or Infrastructure Program involves involuntary displacement of a tenant, without the use of eminent domain, the URA policies and procedures will be followed.

The Buyout Programs are voluntary and SCOR will not use eminent domain.

SCOR has adopted a CDBG-DR Residential Anti-Displacement and Relocation Assistance Plan (RARAP) that aligns with these URA policies. The RARAP is published with SCOR's Hurricane Helene CDBG-DR materials at https://scor.sc.gov/Helene-CDBG-DR.

URA Objectives

This Manual contains the policies regarding relocation assistance as required by federal regulations and HUD policies. This policy will ensure, at a minimum, the following:

- Inform, fair and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.
- To ensure relocation assistance is provided to displaced persons to lessen the emotional and financial impact of displacement.
- To ensure that no individual or family is displaced unless decent, safe, and sanitary (DSS) housing is available within the displaced person's financial means.
- To help improve the housing conditions of displaced persons living in substandard housing.
- To encourage and expedite acquisition by agreement and without coercion.

URA Waivers, as Related to SCOR

- Section 104(d) one-for-one replacement is waived related to 2015 (Hurricane Joaquin), 2016 (Hurricane Matthew) and 2018 (Hurricane Florence) disasters.
- SCOR is seeking a waiver for Section 104(d) one-for-one replacement related to 2024 (Hurricane Helene) disaster.
- Section 414 of the Stafford Act and 49 CFR 24.403(d)(1) are waived to the extent that they would apply to real property acquisition, rehabilitation, or demolition of real property commencing more than one year after the date of the latest applicable Presidentially declared disaster, provided that the project was not planned, approved, or otherwise underway before the disaster. This waiver does not apply to persons that meet the occupancy requirements to receive a replacement housing payment under the URA, nor does it apply to persons displaced or relocated temporarily by other HUD-funded programs or projects. Such persons' eligibility for relocation assistance and payments under the URA is not impacted by this waiver.

Fair Housing Act

The Fair Housing Act requires all grantees of CDBG-MIT funds to certify that no person was excluded from participation in, denied the benefit of, or subjected to discrimination in any housing program or activity because of their age, race, color, creed, religion, familial status, national origin, sexual orientation, military status, sex, disability or marital status. SCOR shall ensure that no applicant or tenant is treated in any way that violates the federal *Fair Housing Act*, the *Civil Rights requirements of Title 1 of the Housing and Community Development Act*, and the *South Carolina Fair Housing Law.* SCOR will ensure fair housing through the following:

- Fair Housing complaints will be processed in accordance with the federal Fair Housing requirements and directed to HUD or another appropriate agency;
- The Buyout Team will assist all relocated households who believe that they have suffered illegal discrimination and will contact SCOR immediately for review and assistance in filing a complaint with the HUD Office of Fair Housing and Equal Opportunity; and
- SCOR will administer all CDBG-MIT programs in accordance with this Fair Housing Policy and will comply with all related federal and state laws.

To ensure compliance with Section 504 of the *Fair Housing Act*, SCOR staff will ensure that advisory relocation services and all implementations of the URA requirements, including communication methods and forms, are accessible to all persons with special needs and will operate in a manner that does not discriminate or limit access to program services and benefits to persons with disabilities. SCOR staff will identify tenants who have difficulty speaking, reading, writing, or understanding English and will assist in the form of sign language, braille, interpreters who translates to and from the person's primary language, translation of all program documents, etc. as applicable or required. SCOR will also ensure compliance with Section 508 of the *Fair Housing Act* and will provide full access to electronic information for persons with disabilities. Universal Notice III.A.2.a.

Definitions

- **Alien Not Lawfullly Present in the United States:** Not "lawfully present" in the United States as defined in 8 CFR 103.12 and includes:
  (i)An alien present in the United States who has not been admitted or paroled into the United States pursuant to the Immigration and Nationality Act (8 U.S.C. 1101 *et seq.*) and whose stay in the United States has not been authorized by the US Secretary of Homeland Security; and,
  (ii) An alien who is present in the United States after the expiration of the period of stay authorized by the U.S. Secretary of Homeland Security or who otherwise violates the terms and conditions of admission, parole, or authorization to stay in the United States.
- **Appeal:** A written request from a Tenant, regardless of form, for a review and revision of a determination made by SCOR.
- **Base Monthly Rent:** The average monthly cost for rent and utilities at the displacement dwelling for a reasonable period prior to displacement, as determined by the Agency. For a Tenant who paid little or no rent for the displacement dwelling, the program will use the fair market rent as the base rent (unless its use would result in a hardship because of the person's income or other circumstances). **Comparable Replacement Dwelling (CRD) -** Functionally equivalent dwelling that performs the same function and utility and has the principal features of the displacement dwelling and must meet DSS (Decent, Safe and Sanitary) or Housing Quality Standards (HQS) standards.
- **Decent, Safe, and Sanitary (DSS):** Functionally equivalent to the displacement dwelling means that it performs the same function and provides the same utility.
- **Displacement Dwelling (DD)**: A dwelling, which is to be acquired by SCOR as a part of its Buyout Program, which will cause one or more tenants to become displaced persons under the URA.
- **Displaced Person**: Generally, any person who permanently moves from the real property or moves his or her personal property from the real property. (This includes a person who occupies the real property prior to its acquisition, but who does not meet the length of occupancy requirements of the Uniform Act as described at (§ 24.401(a) and § 24.402(a)). (A) As a direct result of a written notice of intent to acquire, rehabilitate, and/or demolish (see § 24.203(d)), the initiation of negotiations for, or the acquisition of, such real property in whole or in part for a project; (B) As a direct result of rehabilitation or demolition for a project; or (C) As a direct result of a written notice of intent to acquire, or the acquisition, rehabilitation or demolition of, in whole or in part, other real property on which the person conducts a business or farm operation, for a project. However, eligibility for such person under this paragraph (i) (C) applies only for purposes of obtaining relocation assistance advisory services under §24.205(c), and moving expenses under § 24.301, § 24.302, or § 24.303.
- **Dwelling:** The place of permanent or customary and usual residence of a person, according to local custom or law, including a single-family house; a single-family unit in a two-family, multi-family, or multipurpose property; a unit of a condominium or cooperative housing project; a non-housekeeping unit; a mobile home; or any other residential unit.

- **Person Not Displaced**: For purposes of the SCOR Buyout Program, a person will not be considered displaced if that person is:
    - A person who moves before the initiation of negotiations, unless the agency determines that the person was displaced as a direct result of the program or project;
    - Moves before the start of the buyout process unless SCOR determines the person moved uninformed as required by Move-In Notice guidance provided to Owner-Landlord (s).
    - A person who initially enters into occupancy of the property after the date of its acquisition for the project;
    - A person who has occupied the property for the purpose of obtaining assistance under the Uniform Act;
    - An owner-occupant;
    - A person whom the agency determines is not displaced as a direct result of a partial acquisition;
    - A person who, after receiving a Notice of Relocation Eligibility (described at § 24.203(b)), is notified in writing that he or she will not be displaced for a project. Such written notification shall not be issued unless the person has not moved and the agency agrees to reimburse the person for any expenses incurred to satisfy any binding contractual relocation obligations entered into after the effective date of the notice of relocation eligibility;
    - A person who is determined to be in unlawful occupancy prior to or after the initiation of negotiations, or a person who has been evicted for cause, under applicable law, as provided for in § 24.206. However, advisory assistance may be provided to unlawful occupants at the option of the agency in order to facilitate the project;
    - A person who is not lawfully present in the United States and who has been determined to be ineligible for relocation assistance in accordance with § 24.208; or after receiving a Notice of Relocation Eligibility is notified in writing that he or she will not be displaced from the property.
    - Is determined to be in unlawful occupancy prior to or after the start of the buyout process, or has been evicted for cause, under applicable law.
    - Is not lawfully present in the United States.
- **General Information Notice (GIN):** Required under 49 CFR 24.203(a), this required notice informs potentially displaced individuals that they may be displaced, not to move, and covers general URA requirements and rights.
- **Head of Household:** The adult member of the family who is the head of the household for the purposes of determining income eligibility, rent, or participation in Programs, and as outlined in 24 CFR 5.504
- **Household:** All persons occupying the same housing unit, regardless of their relationship with each other. The occupants could consist of a single family, two or more families living together, or any other group of related or unrelated persons who share living arrangements. Upon identification of a tenant that may be eligible for temporary or permanent relocation assistance, all persons who reside in the household must be identified so that appropriate relocation resources and assistance can be provided.
- **Household Income**: Total gross income received for a 12-month period from all sources (earned and unearned) including, but not limited to wages, salary, child support, alimony, unemployment benefits, workers compensation, social security, or the net income from a business. It does not include income received or earned by dependent children and full-time students under 18 years of age.
    - Household income (exclusions). Household income for purposes of this regulation does not

include program benefits that are not considered income by Federal law such as food stamps and the Women Infants and Children (WIC) program. For a more detailed list of income exclusions see Federal Highway Administration, Office of Real Estate Services Web site: http://www.fhwa.dot.gov/realestate/. (FR4644–N–16 page 20319 Updated.)

- **Initiation of Negotiations Date (ION):** The ION date is the trigger for issuance of the Notice of Eligibility for Relocation Assistance or Notice of Non-displacement.
- **Landlord:** A person or organization that owns and leases apartments, building space, buildings, or land to others. For SCOR buyout, the landlord is the Owner of the property in the Program.
- **Other non-owner occupant**: Unlawful occupants occupying a property without right, title, or payment of rent, or a person legally evicted with no legal rights to occupy a property under state law both of which are ineligible for this program. SCOR will document and determine when such conditions are met based on whether a denial of relocation and advisory assistance to such a person will directly result in:
    - A significant and demonstrable adverse impact on the health or safety of such spouse, parent, or child
    - A significant and demonstrable adverse impact on the continued existence of the family unit of which such spouse, parent, or child is a member; or
    - Any other impact that SCOR determines will have a significant and demonstrable adverse impact on such spouse, parent, or child.
- **Power of Attorney (POA):** An authorization to act on someone else's behalf in a legal or business matter.
- **Program**: Any activity or series of activities undertaken with Federal financial assistance received or anticipated to be received in any phase of the undertaking in accordance with Federal funding agency guidelines. For purposes of these policies and procedures, the program is the SCOR Mitigation Buyout Program.
- **Tenant:** A person, paying fair market rent by an arm's length transaction, willingly, without force or pressure, entitled under a rental agreement to occupy a dwelling unit to the exclusion of others. Under the URA, such tenants must also have been in occupancy for at least 90 days prior to the initiations of negotiations and be lawfully present in the United States at the time of displacement.
- **Unlawful Occupant**: A person who occupies without property right, title, or payment of rent, or a person legally evicted with no legal rights to occupy a property under state law.
- **Utility Costs:** Expenses for electricity, gas, other heating and cooking fuels, water and sewer.

Policies

The Buyout will follow all applicable requirements and waivers as outlined in the Federal Register. The applicable laws include the specific Codes of Federal Regulations for Community Planning and Development Programs, and Community Development Block Grants, 24 CFR 570.606 and 49 CFR part 24 which are applicable to these policies and procedures.

The Buyout Team will be responsible for sending all notices and correspondence to both the Owner-Landlord and the Tenant. The Case Manager will be the first point of contact but as there may be instances that arise that need additional attention, the Program Coordinator and/or Program Manager may assist with communication. The ultimate responsibility to ensure proper notices are provided will lie with the Program Manager.

The purpose of SCOR's URA policies and procedures are to:

- Establish a process to identify and document tenants whose primary residence is a property that will receive benefit from the program;

- Ensure outreach is made to safeguard the principles and requirements of the URA;
- Carry out URA requirements for all eligible recipients.

The Buyout only includes residential properties. The purpose of SCOR's URA policies and procedures are to:

- Establish a process to identify and document tenants whose primary residence is a property that will receive benefit from the program;
- Ensure outreach is made to safeguard the principles and requirements of the URA;
- Carry out URA requirements for all eligible recipients.

Exclusions

- If the home is occupied by an owner-occupant, the home will not be considered a rental home. Owner-occupants are not considered involuntarily displaced. Owners renting from their own LLC, Partnership, Corporation, or unincorporated business are excluded from URA benefits and will be deemed ineligible. SCOR does not have eminent domain authority, which meets URA requirements for voluntary acquisition.
- Non-owner occupants will not be considered tenant(s) when occupants cannot demonstrate current proof of payment or credible evidence of tenancy. A few examples would be adult children, grandchildren, other relatives or family friends residing in the home with the owner-occupant as part of the household composition.
- If the home is owned by a family estate, family members residing in the family home will not be considered tenant(s).

Relocation Assistance and Advisory Services

SCOR will provide necessary and appropriate relocation advisory services to displaced tenants. SCOR will conduct relocation assistance and advisory services in person, or through the phone or virtual meetings with tenants based on the tenant's preference. These services include, but are not limited to:

- Explaining to each displaced tenant their rights and responsibilities under the URA,
- Determining relocation needs and preferences of the tenant(s),
- Finding and referring tenant to social services from which they will benefit,
- Identifying available Comparable Replacement Dwellings and rental costs,
- Informing tenant of relocation payments and other assistance that may be available (e.g.: moving costs, replacement housing, down payment assistance),
- Detailing the eligibility requirements for each type of assistance,
- Reviewing procedures that must be followed to obtain assistance and providing help, as needed, in preparing and filing claims to receive assistance payments,
- An explanation of a tenant's right to appeal if they are not satisfied with SCOR's decisions, including written appeal procedures,
- Conducting inspections to ensure Replacement Dwellings meet applicable standards,
- Providing transportation for tenant to inspect housing options,
- When requested, ensure that modifications to the tenant's home that are part of the relocation assistance process appropriately address any identified hearing, visibility, or mobility limitations of the tenant and/or tenant's household members, and

- If applicable, work with a disabled tenant's designee who has the power of attorney to represent the tenant or is identified as the communication designee representing the tenant.

Permanent v. Temporary Relocation

A displaced person will be determined to be permanently displaced if the property the tenant has been occupying becomes no longer available through an action that is funded in whole or in part with federal funds. If the tenant must leave the property for a temporary amount of time (i.e., less than a year) and the tenant will be able to return to the property after the federal activity has ended, then the tenant would be determined to be temporarily displaced. Due to the nature of SCOR's Buyout, tenants will be considered permanently displaced.

Temporary Relocation Procedure

- **Purpose:** Temporary relocation is used when a tenant must move out for a short period and then return, or when permanent housing is not immediately available.
- **When temporary relocation may be used:** Temporary relocation may be used only when SCOR determines it is necessary for the project and the tenant cannot safely remain in the unit.
- **Time Limits:** Temporary relocation should be as short as possible. If storage or temporary housing is needed, SCOR will document the expected start date and end date. Storage of personal property is allowed for up to 12 months unless SCOR approves an extension in writing.
- **Allowable costs:** SCOR may pay reasonable costs for: moving to temporary housing, moving back (if applicable), storage, and temporary housing costs that are needed because of the project.
- **Required approvals:** The Relocation Lead prepares the temporary relocation plan and cost estimate. The Chief Resilience Officer (or designee) must approve the plan before costs are paid.
- **Required documents in the tenant file**
    - Temporary Relocation Plan (dates, reason, location, costs)
    - Cost estimate and receipts
    - Approval sign-off
    - Notice/communication to tenant explaining temporary move and expected duration
    - Final closeout notes showing when the temporary relocation ended

Communication

The Buyout Team consists of a Program Manager, Program Coordinator and a Case Manager. The Buyout Team will be responsible for sending all notices and correspondence to both the Owner-Landlord and the Tenant. The Case Manager will be the first point of contact but as there may be instances that arise that need additional attention, the Program Coordinator and/or Program Manager may assist with communication. The ultimate responsibility to ensure proper notices are provided will lie with the Program Manager.

All communication from the Buyout Team, oral and written, will be made as soon as feasible, preferably no later than five days.

All written communication will contain the Buyout Team member's contact information. Written communication may be sent via USPS or electronic means (upon approval from Owner-Landlord and/or Tenant). Notices regarding withdrawal due to noncompliance or lack of cooperation must be approved by the Program Manager. URA file related documents for tenants can be found at S/:Project/Buyout Properties/Homeowner/Tenant.

The Case Manager will conduct a Tenant Interview wherein any Limited English Proficiencies will be identified and SCOR will accommodate the Tenant based on their needs.

Owner Responsibilities

Owners are required to inform the Buyout Team of any tenant residing in the Buyout property by completing the Tenant Survey (located within the Owner Application) and providing a written lease and/or verified rental payments from the tenant. The written lease or contract with the tenant or must be able to document the history of rental payments. Additionally, the property must be rented consecutively to one tenant for at least 51% of the year. Eligible tenants will be provided with relocation assistance through the URA.

Owners are required to inform SCOR of any eviction process. A modified GIN notice will be sent to tenant advising of the possibility of becoming ineligible for the URA assistance if eviction is carried out.

Landlord URA FAQs & Acknowledgement -Owners with tenants in the buyout property will be provided with a URA Fact Sheet and a *Landlord Acknowledgement Letter* when the Owner-Landlord completes an application for the voluntary buyout program. The fact sheet will describe potential relocation assistance for tenants and their tenants' responsibilities during the application period. The Landlord Acknowledgement Letter will also need to be signed and returned to SCOR staff.

Withholding tenant information could jeopardize Owner-Landlord participation in the Program.

Unresponsive Owner-Landlord

An Owner-Landlord may be withdrawn from the Buyout due to not providing required documentation or not responding to communication requests by the Team. Owner-Landlord is considered unresponsive after three unsuccessful attempts at communication, within one month's time. The Case Manager will send a Notification Letter to the Owner-Landlord advising communication is required.

The following may prompt withdrawal from the Program:

- Owner-Landlord supplies insufficient documentation;
- Owner-Landlord supplies no documentation;
- Owner-Landlord unresponsive to requests for documents and/or communication.

Withdrawn files will be reviewed on a case-by-case basis to determine reactive status, as applicable. The Program Coordinator will designate the application as withdrawn and include a detailed reason.
A Withdrawal Letter will be generated and sent certified mail. This letter will include the reason for the withdrawal and the Project Coordinator's contact information. Owner-Landlord may appeal the withdrawal within two weeks of the date of the Withdrawal Letter.

Noncompliant Tenant

There may be instances where the Owner-Landlord will be requested to help SCOR receive required documentation from the Tenant, such as utility bills or other documents related to the rental dwelling.
If a Tenant is deemed nonresponsive or takes action to jeopardize URA assistance, SCOR may not be able to serve the Owner-Landlord in the Buyout.

Tenant Responsibilities

The basic responsibility of tenants is to provide the information needed by the program in a timely manner to ensure that their relocation and housing needs are met. Tenants are required to inform the program immediately of any critical information such as changes to their income, family composition, housing needs, if they intend to move and other critical information needed for relocation planning. A Tenant Interview will be scheduled between the Case Manager and the Tenant. The Tenant will be required to submit all required documentation no later than 30 days of request.

Tenants must continue to comply with the terms of their lease or rental agreement throughout the period of relocation. Many costs associated with relocation are reimbursed to the tenant under URA or temporary relocation services. Tenants are required to obtain pre-approval of any relocation costs that they will want to have reimbursed. However, payments for costs that are ultimately returned to the tenant, such as a rental unit security deposit or utility deposit, are not payable by the program.

Tenants must also work closely with their Case Manager to ensure a successful relocation. They must:

- Continue paying rent throughout the URA process;
- Abide by the terms of the lease;
- Provide current/accurate contact, household composition, and income information;
- Update Case Manager with any changes to contact, household composition, and income information;
- Provide estimates or quotes of costs for reimbursement which must be pre-approved by the program, or the costs will not be reimbursed;
- Ensure the move is made according to the scheduled dates in move notice(s);
- Complete documentation in a timely manner for which reimbursement is requested such as claim forms, and provide proof of payment; and
- If permanently displaced, rent, or purchase a Replacement Dwelling within one year of their move and file a claim within 18 months of their move.

In areas identified as lacking rental stock, the Buyout Team may begin CRD searches prior to Displacement Dwelling being under contract. The Tenant may be asked to fill out rental applications or submit documentation before they receive a Notice of Eligibility. The Case Manager will notify the Tenant when a rental application or other documentation is required by the owner of an available rental. Tenant must comply with requirements within five days. If Tenant cannot comply and the rental is still available, an extension will be given on a case-by-case basis. Cooperation is critical to the URA process; lack of cooperation may jeopardize URA assistance.

Should a tenant choose to opt-out of receiving some or all URA or relocation benefits, the tenant is required to notify the program.

Unresponsive Tenant

It is important that the Tenant stay in contact and provide documentation with the Buyout Team. The following may jeopardize Tenant URA assistance:

- Not providing documentation within the required timeframe;
- Providing insufficient documentation;
- Not completing Rental Applications or necessary documents for a Replacement Dwelling;
- Not responding to oral or written communication

Tenant is considered unresponsive after three unsuccessful attempts at communication, within one month's time. The Case Manager will send a Notification Letter to the Tenant that communication is required.

Uncooperative Tenant

It is important the Tenant cooperate with the Buyout Team during the search for a Replacement Dwelling. The Tenant may be asked to complete Rental Applications, provide income verification to potential landlord, or provide other necessary documentation to be approved for renting or purchasing a displacement dwelling. When the Tenant does not cooperate, a Failure to Cooperate Notice will be issued within five days after noncompliance. Noncompliance examples: If the landlord of the Replacement Dwelling advises SCOR the Tenant did not complete rental application, provide required documentation, etc.

The Failure to Cooperate Notice will contain both the Case Manager and Program Manager's contact information, reason for being deemed uncooperative, and any actions the Tenant must take. The Tenant will have fourteen (14) days to respond to the Case Manager or Program Manager.

If it is not too late to comply with requests (ex: replacement dwelling is still available), Tenant will need to comply. The time to comply will be dependent on the need and will be established on a case-by-case basis. The Notice will contain both the Case Manager and Program Manager's contact information, reason state for noncompliance and Tenant requirements.

The Tenant may request a timeline extension, in writing, to the Case Manager or Program Manager within five days of receipt of Notice. Extensions will be considered based on timeline requirements and will be done so on a case-by-case basis.

Tenant Not Approved for Replacement Dwelling

In the event the Tenant does not meet qualifications needed for the replacement dwelling (ex: income, eviction history), SCOR may work with Tenant to have rental payments sent directly to a landlord on their behalf. Tenant will need to provide written authorization to SCOR in such instances.

Tenant Eviction

If a tenant is evicted during the owner's participation in the buyout program, SCOR will evaluate the evicted tenant's eligibility for relocation assistance. A tenant will not be considered a "displaced person" and therefore not eligible for URA when SCOR determines that an eviction occurred that was performed in accordance with the regulations and was not undertaken to avoid paying relocation costs.

Property owners pursuing an eviction of a tenant are advised to obtain a court order for the eviction (even if the tenant has already moved). An eviction is considered allowable when the tenant demonstrates a serious or repeated violation of the material terms and conditions of the lease in accordance with State laws.

An eviction necessitated by project-related non-compliance (e.g., failure to move or relocate when instructed, or to cooperate in the relocation process) does not negate a person's entitlement to relocation payments; it will be determined on a case-by-case basis.

Owners are required to inform SCOR of any eviction process; failure to do so may jeopardize enrollment in the Buyout Program. A modified GIN notice will be sent to tenant advising of the possibility of becoming ineligible for the URA assistance if eviction is carried out.

If a person is a tenant-occupant that moved into the buyout property after the property owner applied to the buyout program but was provided a written Move-In-Notice and approves the Notice before leasing and occupying the property, the tenant will not be considered a "displaced person" and will not be eligible for URA.

Homeowners may not prevent SCOR from notifying tenants of the benefits they may be eligible to receive. If a homeowner is noncompliant with URA requirements, this is cause for removal from the program.
If a person is ineligible for relocation assistance, SCOR will provide such persons a Notice of Non-Eligibility for Relocation Assistance, which will include the reason(s) they are ineligible, and their right to appeal to the Agency's determination.

Lawful Presence

SCOR may only serve citizens lawfully present in the United States, unless such ineligibility would result in an exception and extremely unusual hardship to that person's spouse, parent, or child who is a citizen of the United States, will be classified as Other Non-Owner Occupants and deemed eligible for URA Relocation Assistance and Advisory Services.

Each person seeking relocation payments or advisory services shall certify:

1. In the case of an individual, that he or she is either a citizen or national of the United States, or an alien who is lawfully present in the United States.
2. In the case of a family, that each family member is either a citizen or national of the United States, or an alien who is lawfully present in the United States. The certification may be made by the head of the household on behalf of other family members.

An alien not lawfully present in the United States may claim an exceptional and extremely unusual hardship if the denial of relocation payments and advisory assistance to such a person will directly result in:
1. A significant and demonstrable adverse impact on the health or safety of a spouse, parent or child;
2. A significant and demonstrable adverse impact on the continued existence of the family unit of which such spouse, parent, or child is a member; or
3. Any other impact that SCOR determines will have a significant and demonstrable adverse impact on such spouse, parent, or child.

Triggering URA

As an initial step in all programs, a determination must be made whether program activities will cause a displacement of a person/household. Persons qualifying as displaced trigger URA requirements and must be provided with relocation advisory services and assistance with a goal towards minimizing permanent displacement. Only involuntary acquisitions trigger the requirements of the URA.

Eligibility

To be eligible for relocation assistance, tenants must be:

- A lawful occupant of the buyout property and have documentation that they were in legal occupancy of the buyout property;
- Be in lawful occupancy of the buyout property for at least 90 days prior to the Initiations of Negotiations (ION) (Legal occupancy less than 90 days prior to ION may receive services under Housing of Last Resort (HLR).);

- Lawfully present in the United States at the time of assistance, unless such ineligibility would result in an exception and extremely unusual hardship to that person's spouse, parent, or child who is a citizen of the United States, will be classified as Other Non-Owner Occupants and deemed eligible for URA Relocation Assistance and Advisory Services

Comparable Replacement Dwelling (CRD)

Based upon permanent relocation needs of the Tenant, the Case Manager will proactively identify rental units that are available. Replacement Dwellings may not lie within a floodplain or floodway; however, efforts will be made to relocate the Tenant within or close to their current neighborhood or local community, where possible. A minority whose Displacement Dwelling (DD) is in an area of minority concentration must first be offered referrals to CRDs not located in areas of minority concentration, if available, before being offered referrals to CRDs located in other areas of minority concentration.

The Case Manager will determine, explain, and assign follow-up actions, responsibilities, and deadlines, as needed, to move the Tenant forward in the process.

The definition of comparable Replacement Dwelling requires that a comparable Replacement Dwelling for a person who is not receiving assistance under any Government housing program before displacement, must be currently available on the private market without any subsidy under a government housing program. A Comparable Replacement Dwelling must be functionally equivalent to the displacement dwelling which means that it performs the same function and provides the same utility.

While a comparable Replacement Dwelling need not possess every feature of the displacement dwelling, the principal features must be present. Generally, functional equivalency is an objective standard, reflecting the range of purposes for which the various physical features of a dwelling may be used. However, in determining whether a Replacement Dwelling is functionally equivalent to the displacement dwelling, SCOR may consider reasonable trade-offs for specific features when the replacement unit is equal to or better than the displacement dwelling.

For example, if the displacement dwelling contains a pantry and a similar dwelling is not available, a Replacement Dwelling with ample kitchen cupboards may be acceptable. Insulated and heated space in a garage might prove an adequate substitute for basement workshop space. A dining area may substitute for a separate dining room. Under some circumstances, attic space could substitute for basement space for storage purposes, and vice versa.

Only in unusual circumstances may a Comparable Replacement Dwelling contain fewer rooms or, consequentially, less living space than the displacement dwelling. Such may be the case when a decent, safe, and sanitary Replacement Dwelling (which by definition is "adequate to accommodate" the displaced person) may be found to be "functionally equivalent" to a larger but very run-down substandard displacement dwelling.

Another example is when a displaced person accepts an offer of government housing assistance and the applicable requirements of such housing assistance program require that the displaced person occupies a dwelling that has fewer rooms or less living space than the displacement dwelling.

- An obviously overpriced dwelling (e.g., luxury housing, if the displacement dwelling is non-luxury housing) will not be considered as a comparable Replacement Dwelling;

- Adequate in size to accommodate the occupants, as determined by the Fair Housing Act;
- In an area not subject to unreasonable adverse environmental conditions;
- In a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities and commercial and public facilities, and reasonably accessible to the person's place of employment and/or school district;
- On a site that is typical in size for residential development with normal site improvements, including customary landscaping. The site need not include special improvements such as outbuildings, swimming pools, or greenhouses. (See also § 24.403(a)(2));
- Currently available to the displaced person on the private market except as provided in paragraph (a)(6)(ix) of this section (See appendix A, § 24.2(a)(6)(vii)); and
- Within the financial means of the displaced person:
    - A Replacement Dwelling rented by an eligible displaced person is considered to be within his or her financial means if, after receiving rental assistance, the person's monthly rent and estimated average monthly utility costs for the Replacement Dwelling do not exceed the person's base monthly rental for the displacement dwelling as described at § 24.402(b)(2).

For a person receiving Government housing assistance before displacement, a dwelling that may reflect similar Government housing assistance. In such cases any requirements of the Government housing assistance program, including fair housing, civil rights, and those relating to the size of the Replacement Dwelling, shall apply. However, nothing in this part prohibits an agency from offering, or precluding, a person from accepting, assistance under a government housing program, even if the person did not receive similar assistance before displacement, subject to the eligibility requirements of the Government housing assistance program. If a person accepts assistance under a government housing assistance program, the rules of that program apply, and the rental assistance payment under §24.402 would be computed on the basis of the person's actual out-of-pocket cost for the replacement housing and associated utilities after the applicable Government housing assistance has been applied. SCOR is obligated to inform the person of his or her options under this part and the implications of accepting a different form of assistance than the assistance that the person may currently be receiving. If a person accepts assistance under a government housing assistance program, the rules of that program governing the size of the dwelling apply, and the rental assistance payment under § 24.402 would be computed on the basis of the person's actual out-of-pocket cost for the replacement housing.

For a displaced person who is not eligible to receive a replacement housing payment because of the person's failure to meet length-of-occupancy requirements, comparable replacement rental housing is considered to be within the person's financial means if an Agency pays that portion of the monthly housing costs of a Replacement Dwelling which exceeds the person's base monthly rent for the displacement dwelling as described in § 24.402(b)(2). Such rental assistance must be paid under § 24.404, Replacement housing of last resort.

SCOR will document CRD searches using the SCOR-MIT Comparable Dwelling Replacement Worksheet. The program will provide up to three comparable units to establish the payment threshold for the tenant's Rental Assistance Payment.

If two or more occupants of the displacement dwelling move to separate Replacement Dwellings, each occupant is entitled to a reasonable prorated share, as determined by the program, of any relocation payments that would have been made if the occupants moved together to a comparable Replacement Dwelling. However, if it is determined that two or more occupants maintained separate households within the same dwelling, such occupants have separate entitlements to relocation payments.

Before SCOR makes a replacement housing payment, an inspection of the Replacement Dwelling must be completed to ensure it is decent, safe, and sanitary, and that it possesses all accessibility features that may be needed by displaced persons with disabilities, which are the standards required by HUD for Replacement Dwelling URA compliance. DSS standards are different from Housing Quality Standards (HQS) used for other HUD programs. Requirements for DSS housing must meet local housing and occupancy codes.
SCOR will utilize the SCOR-MIT DSS Replacement Housing Inspection Form to document the inspection results. The completed inspection form will be saved in the SOR.

If an eligible tenant chooses to move on their own, SCOR will be required to continue to provide advisory services, conduct research on comparable dwellings to ensure the cost of the new dwelling does not exceed that of a comparable, and conduct an inspection of the new dwelling to ensure it meets DSS standards. If these conditions are met, SCOR will deem the tenant's self-selected Replacement Dwelling to be comparable. Otherwise, the tenant will need to move to another dwelling or lose their eligibility for relocation assistance.

The more stringent Housing Quality Standards (HQS) Criteria is only required if a tenant currently receives housing assistance through a Housing Choice Voucher Program that requires the Replacement Dwelling meets this standard in order to retain vouchers should the tenant/ choose to remain in the Voucher Program. Use the HUD Housing Choice Voucher Program Inspection Checklist for HQS inspections. The completed inspection form must be saved in the system of record.

When a comparable dwelling unit cannot be found, the displaced person will be offered Housing of Last Resort.

Decent, Safe, And Sanitary (DSS)

A DSS dwelling should meet local housing and occupancy codes. However, any of the following standards which are not met by the local code shall apply unless waived for good cause by the Federal Agency funding the project. SCOR will inspect the dwelling for the following requirements:

- Be structurally sound, weather-tight, and in good repair,
- Contain a safe electrical wiring system adequate for lighting and other devices,
- Contain a heating system capable of sustaining a healthful temperature of approximately 70 degrees, unless unnecessary because of local climate,
- Be adequate in size with respect to the number of rooms and living space needed to accommodate the displaced person subject to local occupancy codes and the policies of the displacing agency. SCOR will follow the requirements for separate bedrooms for children of the opposite gender included in local housing codes, or in the absence of local codes, the policies of such Agencies,
- Have a separate, well-lit and ventilated functioning bathroom,
- Contain unobstructed egress to safe, open space at ground level,
- And for any displaced person with a disability, be free of any barriers which would preclude reasonable ingress, egress or use of the dwelling by such displaced person.

Once a home has been determined to meet DSS requirements, the Tenant will be provided with a copy of the DSS Inspection Report to review and sign. The Tenant will be provided with EPA's *Protect Your Family From Lead in Your Home* which can be found at https://www.epa.gov/lead/protect-your-family-lead-your-home-english.

Replacement Housing Payment

SCOR will determine a person's eligibility for a Replacement Housing Payment (RHP) which may include replacement housing assistance (rental assistance or down payment assistance) and moving expenses. If eligible, a permanently displaced person is entitled to a payment for rental assistance, or down payment assistance, as computed in accordance with this manual. In order to be eligible for either payment, the displaced person must:

- Have actually and lawfully occupied the displacement property for at least 90 days immediately prior to the ION; and
- Rent, or purchase, and occupy a decent, safe, and sanitary comparable Replacement Dwelling within 1 year of the displacement (i.e.: from the date the tenant moves from the displacement dwelling).

Eligible residential tenants involuntarily displaced by the participation of a Mobile Home or Manufactured Housing Unit (both referred to here as MHU) Owner-Landlord in the Buyout will receive relocation assistance. A replacement housing assistance payment will be made following the conclusion of the comparable Replacement Dwelling search. An eligible tenant will receive rental assistance payment when there is an increased cost associated with the cost of the Replacement Dwelling. The replacement housing assistance payment amount is calculated in accordance with the table below as 42 times the amount obtained by subtracting the base monthly rent for the displacement dwelling from **the lesser of**:

- The monthly rent and estimated average monthly cost of utilities for a comparable Replacement Dwelling; or
- The monthly rent and estimated average monthly cost of utilities for the DSS Replacement Dwelling occupied by the displaced person.

For tenants, in accordance with 49 CFR §24.402 (b)(1) and (c)(1) , the maximum rental assistance payment or down payment currently in effect is $9,570. If the rental assistance payment is less than the maximum, the tenant will receive the amount calculated based on their rent and utilities. If the payment exceeds the maximum, the tenant will receive the maximum rental assistance amount. However, the maximum payment may be exceeded if the situation meets the requirements of Housing of Last Resort.
At least one (1) and no more than three (3) comparable Replacement Dwellings (CRD) will be provided to the household to establish the payment threshold for the Tenant's Rental Assistance Payment (RAP).
If available, three CRD's shall be examined and the payment computed based on the dwelling most nearly representative of, and equal to, or better than, the displacement dwelling. The RAP is calculated in accordance with the following requirements:

1. Comparable Replacement Dwellings shall, to the extent feasible, be selected from the neighborhood in which the displacement dwelling is located (but not in the floodplain), or in a similar neighborhood where housing costs are generally similar. An obviously overpriced dwelling will not be considered as a CRD.

2. If a Low-to-Moderate (LMI) tenant goes to a Replacement Dwelling where the RAP is over the $9,570 maximum, SCOR may elect to issue a Housing of Last Resort (HLR) payment in excess of the RAP maximum. This will be determined on a case-by-case by the Chief Resilience Officer.
3. If two or more occupants of the same displacement dwelling move to separate Replacement Dwellings, each occupant is entitled to a reasonable prorated share, as determined by SCOR, of any relocation payments that would have been made if the occupants moved together to a CRD. If it is determined that two or more occupants maintain separate households within the same dwelling, such occupants have separate entitlements to relocation payments.

Note: A waiver was established in 81 FR 39702 that allows a property owner who is willing to participate in the Tenant-Based Rental Assistance (TBRA) housing program subsidy (Section 8 rental voucher or certificate), to allow a displaced tenant who only meets a portion or all of the traditional requirements to participate in the TBRA program. All or a portion of this assistance may be offered through a certificate or voucher for rental assistance (if available) provided under Section 8 if a Section 8 certificate or voucher is provided to a tenant. If the tenant currently receives assistance through a Housing Choice Voucher Program, then the dwelling must meet HQS rather than DSS standards. If a Section 8 certificate or voucher is provided to a tenant, SCOR must provide referrals to CRD units where the owner is willing to participate in Section 8 Tenant-Based Assistance Existing Housing Program. When provided, rental assistance will generally be in installments, in accordance with 42 U.S.C. 3537c .

Security Deposits and Credit Checks: SCOR will reimburse reasonable and necessary cost of any nonrefundable security deposit required to rent a Replacement Dwelling unit, and for credit checks required to rent or purchase a Replacement Dwelling unit.
Interim Living Costs: SCOR will reimburse a tenant for actual reasonable out-of-pocket costs incurred in connection with a displacement, including moving expenses and increased housing costs, if:
A tenant must relocate temporarily because continued occupancy of the property constitutes a substantial danger to the health or safety of the person or the public; or
A tenant is displaced from a "lower-income dwelling unit," none of the Comparable Replacement Dwelling, further known as CRD, units to which the person has been referred qualifies as a lower-income dwelling unit, and a suitable lower-income dwelling unit is scheduled to become available.

Calculation Of Assistance

Base Monthly Rent
The base monthly rent of the displacement dwelling is **the lesser of**:

- The average monthly cost for rent and utilities at the displacement dwelling for one year or the rent payment period is less than one year, prior to displacement. When the lease for the displaced dwelling rent is deemed as little to no rent, the fair market rent will be used unless its use would result in a hardship because of the person's income or other circumstances; **OR**
- Thirty (30) percent of the displaced person's average monthly gross household income if the amount is classified as "low income" by HUD, meaning that the household's taxable income is 80% of the County's Area Median Income (AMI).

NOTE: The base monthly rent shall be established solely on the criteria under this bullet for households with incomes exceeding the "low income" limits of 80% of AMI for persons refusing to provide appropriate evidence of income, and for persons who are dependents. A full-time student may be assumed to be a dependent, unless the person demonstrates otherwise, or the total of the amounts designated for shelter and utilities if the displaced person is receiving a welfare assistance payment from a program that designates the amount for shelter and utilities.

Tenants that do not meet the 90-day occupancy are not entitled to a replacement housing payment unless that person is not able to relocate to comparable replacement housing within financial means. The Housing of Last Resort section of the URA authorizes the use of project funds to cover the cost of such rental increases. The assistance provided will be for a 42-month period.

TENANT'S BASE MONTHLY RENTAL COST (BMC) (LESSER OF EITHER)	MONTHLY RENT & UTILITY COST DIFFERENTIAL (MCD) (LESSER OF EITHER)
• The average monthly cost for rent and utilities at the tenant's DD OR • **If the tenant is low-income**, 30% of the tenant's average monthly gross household income based on HUD income limits. Note: 81 FR 39702 established a waiver, which SCOR will utilize as applicable, to use higher than 30% if a given tenant was paying the rent without demonstrable hardship.	• The CRD monthly rent & estimated average monthly utility cost less BMC OR • The CRD monthly rent and estimated average monthly utility cost for each tenant's actual Replacement Dwelling they have occupied whether it is comparable or not less BMC.

Determination Of Utility Costs

SCOR will examine the average monthly utility costs at the displacement dwelling and Replacement Dwelling, when available. If not available, information provided from the local level will be utilized. The determination will be based on one year or the rent payment period, whichever is less, prior to displacement. SCOR will estimate the average monthly utility costs at the comparable Replacement Dwelling and should be based on actual 12-month utility data for that unit to the extent possible.

The cost of phone, cable and internet are not considered part of utilities. Determining the cost of qualified utilities often can be challenging. If the current lease includes all utilities, this does not mean that a comparable unit must also include all utilities. Instead, a utility credit will be included in the RHP based on the comparable unit's needs. To simplify this process, SCOR will use the latest utility allowance schedule of a local or regional Housing Authority if it determines collection of utility use.

Determination Of Moving Costs

Displaced persons eligible for URA assistance are entitled to a payment for their actual moving and related expenses that are determined to be reasonable and necessary. The displaced person may choose one or a combination of a commercial move or self-move. Payment to a person with minimal personal possessions who is in occupancy of a dormitory style room shall be limited to the amount stated in the most recent edition of the Fixed Residential Moving Cost Schedule. The Schedule is created and updated by the Federal Highway Administration and can be found at Fixed Residential Moving Cost Schedule - Relocation - Uniform Act - Real Estate - FHWA. A copy of the Schedule used to determination Tenant's cost will be stored in the

Tenant's file on the SOR.

- **Commercial Move** performed by a professional mover. Commercial Mover Estimate will be based on the lower of two quotes from a commercial mover.

- **Self-Move** performed by the displaced person in one or combination of the following methods:
    - Fixed Residential Cost Schedule using the current Moving Cost Schedule
    - Actual Cost Move reimbursement will require receipts for labor and equipment. The project member will work with the displaced tenant to discuss approved hourly rates and equipment rental.

Moving Cost Estimate: Documented costs for materials, equipment, and labor. Hourly labor rates should not exceed the cost paid by a commercial mover for moving staff. Costs for moving residential personal property that requires special handling should not exceed the hourly rate for a commercial specialist. Equipment rental fees should be based on the actual cost of renting the equipment but not exceed the cost paid by a commercial mover. The cost of materials should equal those readily available locally. (iv) Commercial mover estimate. Based on the lower of two bids from a commercial mover. Federal funding agencies may establish policies and procedures which require their grantees to calculate and subtract an estimated amount of overhead and profit from the moving cost bids to establish a reimbursement eligibility.

Tenant must choose **prior to their move** whether they wish to be reimbursed for moving expenses or have SCOR pay their mover on their behalf in advance of their move. SCOR will provide payment for moving expenses reasonable for South Carolina taking into consideration the number of rooms in the displacement dwelling, and whether the tenant owns and must move furniture, etc. as described in 81 FR 39702 , which established a waiver for standards described in 49 CFR part 24.

Eligible Moving Expenses: Actual moving expenses may include:

1. Transportation of displaced person and personal property. Transportation costs for a distance beyond 50 miles are not eligible or approved in advance on a case-by-case basis.
2. Packing, crating, unpacking and uncrating of personal property;
3. Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliance and reconnecting household appliances and other personal property;
4. For temporary moves - storage of personal property (maximum of 12 months unless otherwise approved by SCOR);
5. Insurance for the replacement value of property in connection with the move and storage;
6. The replacement value of property that is lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person or their agent) where insurance for such losses is not available;
7. Reasonable reimbursement, as determined by SCOR, for actual expenses not to exceed $1,000, incurred for dwelling application fees or credit reports required to lease a Replacement Dwelling.

Ineligible Moving Expenses: A displaced person may not claim or receive payment for the following, but not limited to:

1. Relocation expenses not pre-approved in writing by SCOR;
2. Cost of moving any structure other than real property in which tenant reserved ownership;
3. Interest on a loan to recover moving expenses;
4. Personal injury;

5. Any legal fee or other cost for preparing a claim for a relocation payment or for representing the claimant before SCOR;
6. Expenses for searching for a Replacement Dwelling; which includes costs for mileage, meals, lodging, time and professional real estate broker or attorney's fees;
7. Costs for storage of personal property on real property already owned or leased by the displaced person;
8. Cosmetic changes to a Replacement Dwelling, which are not required by State or local law such as paintings, draperies, or replacement carpet or flooring;
9. Refundable security and utility deposits.

Housing Of Last Resort

SCOR will use the Housing of Last Resort (HLR) provision where a tenant cannot otherwise be appropriately housed within the monetary limits of replacement housing assistance. This situation may occur in high-cost housing areas or areas with low-and-moderate income (LMI) tenants who do not live in subsidized housing at the time of displacement. In these situations, providing additional financial assistance above HUD relocation housing assistance payment limits is permissible and often the most feasible option.

The determination of when a HLR option is necessary is done on a case-by-case basis, for good cause, taking into consideration availability of comparable replacement housing in the area, resources available to provide comparable replacement housing, and the individual circumstances of each displaced tenant (ex: household income).

No person shall be required to move from a Displacement Dwelling unless comparable replacement housing is available to such person. No person may be deprived of any rights the person may have under the URA. SCOR shall not require the Tenant to accept a dwelling provided (unless a contract has been signed) in lieu of any acquisition payment or any relocation payment for which the person may otherwise be eligible.

If it is determined there is little, if any CRD available, necessary for the area as a whole:

- Program or project cannot be advanced to completion in a timely manner without HLR assistance; and
- Method selected for providing HLR assistance is cost effective.

Methods Of Providing HLR:

Agencies shall have broad latitude in implementing Housing of Last Resort, but implementation shall be for reasonable cost, on a case-by-case basis unless an exception to case-by-case analysis is justified for an entire project (§ 24.404(c) Methods of providing replacement are below, but not limited to:

- A replacement housing payment in excess of the limits set forth in § 24.401 or § 24.402. A replacement housing payment under this section may be provided in installments or in a lump sum at the agency's discretion.
- Rehabilitation of and/or additions to an existing replacement dwelling.
- The construction of a new replacement dwelling.
- The provision of a direct loan, which requires regular amortization or deferred repayment. The loan may be unsecured or secured by the real property. The loan may bear interest or be interest-free.

- The relocation and, if necessary, rehabilitation of a dwelling.
- The purchase of land and/or a replacement dwelling by the agency and subsequent sale or lease to, or exchange with a displaced person.
- The removal of barriers for persons with disabilities.

Under special circumstances, modified methods of providing HLR permit considerations based on space and physical characteristics different from the Displacement Dwelling. Assistance may be provided to a Tenant who is not eligible to receive a replacement housing payment because of failure to meet length of occupancy.

SCOR will use the Housing of Last Resort (HLR) provision where a tenant cannot otherwise be appropriately housed within the monetary limits of replacement housing assistance. Determination of the need of a HLR will be identified after receiving household income, displacement dwelling rent and utilities, and Replacement Dwelling rent and utilities. Possible HLR triggers include, but are not limited to:

- Low-to-moderate income;
- Displacement Dwelling rent is lower than fair market rent;
- Low rental stock;
- Rental dwellings not passing DSS inspections.

The Program Manager will review documents supporting the need for HLR and present the facts of the case to the Chief Resilience Officer (CRO). The CRO has sole authority to make a HLR determination. Counteroffers will be reviewed by the Special Case Panel.

The Housing of Last Resort Letter will include:

- Facts of case
- Breakdown of Monthly Need
- Requirements needed for HLR Payments to be issued

All documents making up the facts of case, HLR letter and decisions will be stored in the Tenant's file on the SOR.

A tenant will be deemed to have voluntarily withdrawn from the relocation process if:

- The tenant was not offered at least one Comparable Replacement Dwelling and rejected a Housing of Last Resort offer without making a counteroffer, or
- Rejected a Final Housing of Last Resort offer.

Claims For Relocation Payments

Claim for a relocation payment shall be supported by such documentation as utility bills, lease, or other evidence of such expenses. A displaced person must be provided with reasonable assistance necessary to complete and file any required claim for payment. Case managers will assist tenants with the completion and filing of all required claims for payment. Tenants must complete and sign the proper claim form to be reimbursed for pre-approved relocation expenses, replacement housing and/or a down payment.
In order to receive funds, tenant, DSS landlords, closing attorneys (when applicable), and commercial movers (when applicable), must register through the SC Division of Procurement Services Vendor Registration | procurement.sc.gov. All members of the Buyout are available to help with this process.
Payments will be lump-sum payable by check or direct deposit. To receive a direct deposit payment, bank

information will be required when completing the Vendor Registration.

Down Payment Assistance

An eligible displaced person who purchases a Replacement Dwelling is entitled to a downpayment assistance payment in the amount the person would receive if the person rented a comparable Replacement Dwelling. SCOR must inspect the Replacement Dwelling for DSS requirements. Purchasing a home or moving prior to informing SCOR may jeopardize URA assistance.

The down payment assistance payment will be paid in a lump sum directly to the closing attorney for the replacement property. The full amount for downpayment assistance must be applied to the purchase price of the Replacement Dwelling and related incidental expenses.

Relocation Payments shall not be considered as income.

Advance Payments

When it is determined that a tenant can avoid or reduce a hardship that will be caused by the required relocation, in accordance with 49 CFR 24.207(c), advanced payments will be made for relocation related expenses such as:

- Rental security deposit and/or monthly rent
- Utility service connection and/or reconnection;
- Cost of a commercial moving service (may include packing materials and packing), unless it can be paid under the Program's direct payment agreements;
- Other relocation-related expenses as approved.

Hardship is defined as an undue financial burden that would either deplete the financial resources of the tenant household, or in those cases where the tenant household's lack of financial resources or poor credit would preclude the household from relocating in a timely manner.

Claim Forms

- Claim for Rental Assistance or Down-Payment Assistance (***HUD Form 40058***) [1]
- Residential Claim for Moving and Related Expenses (***HUD Form 40054***)[2]

Deadline For Filing A Claim

Relocation assistance claims must be filed no later than 18 months after the date the tenant was displaced. Extensions for filing a claim will be reviewed on a case-by-case basis.

Payment At Death

A replacement housing payment is personal to the displaced person and upon his or her death the undisbursed portion of any such payment shall not be paid to the heirs or assigns, except that:

1. The amount attributable to the displaced person's period of actual occupancy of the replacement housing shall be paid.

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[1] URA ANNEX #1 HUD Form 40058
[2] URA ANNEX #2 HUD Form 40054

2. Any remaining payment shall be disbursed to the remaining family members of the displaced household in any case in which a member of a displaced family dies.
3. Any portion of a replacement housing payment necessary to satisfy the legal obligation of an estate in connection with the selection of a Replacement Dwelling by or on behalf of a deceased person shall be disbursed to the estate.

Duplication Of Benefit (DOB)

No person shall receive any payment under this part if that person receives a payment under Federal, State, local law, or insurance proceeds which is determined by the agency to have the same purpose and effect as such payment under 49 CFR Part 24 §24.3. Duplication of Benefits will not be considered for displaced tenants if any federal assistance received by the tenants was awarded for a different use.

Relocation Notices

A series of notices are used to keep Owner-Landlord and Tenant informed as to displacement status, rights, eligibility (or lack of eligibility) to relocation assistance, and to provide required notices involving time limits. Notices may be sent electronically (if recipient agrees to electronic delivery), hand delivery, or through USPS or certified registered first-class mail. SCOR uses ShareFile for electronic signatures, as ShareFile is a secure site for delivering Personal Identifiable Information (PII) and creates a digital date stamp that can be downloaded and saved in the system of record.

Notices will provide the name and phone number of the SCOR Program Manager and/or Buyout Case Manager that may be contacted for questions or additional assistance. All required URA notices shall be delivered to lawful tenants only. SCOR will evaluate each Owner-Landlord and/or Tenant's notification needs on a case-by-case basis to determine the exact notices that must be distributed (Ex: Tenant will be issued a Notice of Non-Eligibility).

URA notices are based on HUD's Handbook 1378 and the URA Final Rule, which are issued as soon as feasible, preferably no later than five days of triggering event. Notices include:

- General Information Notice (GIN) and HUD-1042 Brochure
- Move-In Notice
- Notice of Eligibility
- Notice of Non-Eligibility
- Ninety-Day Notice

If a tenant moves after the Owner-Landlord has applied to the buyout program without having received proper notifications from SCOR about their potential rights under URA for rental assistance, the following should also be provided to SCOR in addition to the above documents:

- Documentation of actual moving expenses from the dwelling or the number of rooms of furniture moved, if any, at the time of displacement; and/or
- Affidavit from the Owner-Landlord regarding the number of rooms occupied at the time of displacement;
- Copy of current lease or purchase agreement, if permanently displaced, for their post-relocation dwelling;

- Copy of current and consecutive utility bills for their post-relocation dwelling.

General Information Notice (GIN)

- The GIN[3] informs the tenant that they may be displaced for the project and generally describes the relocation payment(s) for which the person may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s);

- Additionally, it informs the displaced person that he or she will be given reasonable relocation advisory services, including referrals to replacement properties, help in filing payment claims, and other necessary assistance to help the displaced person successfully relocate; Informs the displaced person that he or she will not be required to move without at least 90 days advance written notice and informs any person to be displaced from a dwelling that he or she cannot be required to move permanently unless at least one comparable Replacement Dwelling has been made available;

- Informs the displaced person that any person who is an alien not lawfully present in the United States is ineligible for relocation advisory services and relocation payments, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child, as defined in § 24.208(h); and

- Describes the displaced person's right to appeal the Agency's determination as to a person's application for assistance for which a person may be eligible under this part.

HUD 1042 Booklet

The HUD 1042[4] booklet describes the relocation payments and other relocation assistance provided under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) to tenants displaced from their homes. This includes any family or individual that must move as a direct result of rehabilitation, demolition or acquisition for a project in which Federal funds are used.

Move-In Notice

A written notice provided to a person who is interested in moving into a project after the date an application for assistance was submitted. If the person is provided with such a Notice before leasing and occupying the property and agrees to occupy the property under the terms of the notice, the person is not eligible for relocation assistance.

Once enrolled in the Program, the Owner-Landlord will be informed of their responsibility to provide a Move-In Notice[5] to a potential tenant before leasing and occupying the property, and of their responsibility to inform SCOR of any new tenants. The Move-In Notice indicates that the potential tenant(s) may be displaced and will not receive URA relocation assistance. The tenant must agree to occupy the property under the terms of the notice in writing; when this occurs, the new tenant is not eligible for relocation assistance as a displaced person. If the Owner-Landlord fails to provide the Move-In Notice to a prospective/subsequent tenant before leasing the dwelling, they may be found ineligible for the Program. Move-In Notices are required to include the following information:

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[3] URA ANNEX #3 GIN

[4] URA ANNEX #4 HUD 1042 Booklet

[5] URA ANNEX #5 Move-In Notice

- An application has been submitted to the SCOR Voluntary Mitigation Buyout Program for the rental property,
- The possible impact on the person if the application is approved and accepted by the owner,
- The tenant will not qualify for relocation assistance as a "displaced person" as a result of the buyout if they choose to lease and occupy the property.

Notice Of Relocation Eligibility (NOE)

URA regulations require that persons who are eligible for relocation assistance under URA receive a Notice of Eligibility[6]. The NOE will be provided to the tenant after the Purchase Contract is considered binding, which triggers the Initiation of Negotiation (ION) date.

The NOE will include:

- The amounts and types of financial assistance available;
- Chosen replacement unit must be inspected to ensure it meets DSS requirements prior to moving;
- Moving will not be required to relocate without at least a 90-day advanced written notice; the Notice shall either state a specific date as the earliest date by which the occupant may be required to move, or state that the occupant will receive a further notice indicating, at least 30 days in advance, the specific date by which he or she must move. If the 90- day notice is issued before a comparable Replacement Dwelling is made available, the notice must state clearly that the occupant will not have to move earlier than 90 days after such a dwelling is made available. (See §24.204(a).)

Ninety- Day Notice/ 90-Day Notice

URA regulations require that tenants who have been informed that they are eligible for URA relocation benefits and are required to move must be provided with a minimum of a 90-day written notice. SCOR will provide tenants who are displaced with the required 90-Day Notice[7] concurrently or after the tenant is issued a NOE. Tenants may move sooner than 90 days if desired.

The 90-Day Notice will not be provided when:

- Tenant made an informed decision to relocate and vacate the property without prior notice to the property owner;
- The tenant is not eligible for URA; or
- When a permanent move is not required because the property owner has withdrawn from the Program, the owner is found ineligible for a Program, or an award or offer is not made by the program or accepted by the owner.

Issuing 90-Day Notice

A 90-Day Notice is issued to displaced households when at least one comparable Replacement Dwelling is made available for move-in.

For example: If a comparable Replacement Dwelling (CRD) is found but is not available for rent for 110 days, issuance of the 90-day notice must be delayed until the property is available for move in. The 90-day notice

[6] URA ANNEX #6 NOE
[7] URA ANNEX #7 90-Day Notice

provides a minimum of 90 days of notice before a move out is required. This notice will provide the specific earliest date a displaced household will be required to move or say further notice of a specific move date requirement will be provided at a future time but will be at least 30 days in advance.

If this notice is issued prior to a CRD being made available, it will clearly state the occupant will not have to move earlier than 90 days after a CRD is made available. This notice will not be issued prior to the NOE; however, the two notices may be combined if needed. If occupants move on their own before receiving a 90-Day Notice, SCOR will not provide this notice to those specific tenants and may require written confirmation of the move. Moving without prior approval from SCOR may jeopardize URA benefits.

There may be instances where the 90-Day Notice may be extended when the displaced household remained active but has not been able to identify a Replacement Dwelling. This will be determined on a case-by-case basis.

The buyout team will work closely with tenants during the Replacement Dwelling search. It is important that tenants remain active participants during this process; noncooperation or unresponsiveness may affect UR-eligibility determination.

Urgent Need Provision
The urgent need provisions of URA permit an occupant to vacate on less than 90-Day Notice to Vacate under certain conditions. SCOR will provide a notice with a shorter period when there is an urgent need that involves potential danger, health, or safety issues, or if the person will be temporarily relocated for a short period of time.

Notice Of Non-Displacement

Tenants who have been issued a GIN and are later determined to not be a displaced person and/or are not otherwise eligible for URA assistance will be issued a Notice of Non-Displacement notice. This notice will advise such persons that they do not qualify as displaced and inform them of their right to appeal. SCOR will send a Notice of Non-Displacement to a tenant when an Owner-Landlord withdraws from the voluntary buyout program, declines the Offer to Purchase, or the tenant is otherwise deemed ineligible for URA assistance.

If a Notice of Non-Displacement is not issued and a tenant moves permanently from a buyout property, SCOR will review that specific case to see whether a change in the tenant's displacement status is necessary, given that such persons often qualify as displaced regardless of whether they were asked to vacate or not. Moving without notifying SCOR buyout may jeopardize Tenant eligibility.

After identifying the Tenant will not be displaced, the Notice of Non-Displacement will be issued as soon as feasible, preferably no later than five days of triggering event.

Notice Of Intent To Acquire Real Property (NOIA)

Although not impossible, **SCOR does not anticipate issuing such a notice** during the SCOR Mitigation Buyout Program because of the risks associated with establishing "early" eligibility.

Appeals And Dispute Resolution

SCOR will provide tenants with a clear and fair way to appeal relocation decisions that affect their eligibility or benefits.

- **What decisions can be appealed**: A tenant may appeal any written SCOR decision related to relocation, including: eligibility for relocation assistance, the amount of relocation assistance, comparable replacement housing decisions, Housing of Last Resort (HLR) offers, and any determination that the tenant is not cooperating or has withdrawn.
- **How to file an appea**l: The tenant may file an appeal in writing (letter, email, or SCOR form). If the tenant needs help due to disability or language, SCOR will provide assistance. The appeal must be received within 30 days of the date in the written decision letter. The appeal must include Tenant's name, current address, phone number, the decision being appealed, and why the tenant disagrees.
- **Where to send an appeal:** SCOR will include the current mailing address and email address for appeals in every determination letter.
- **Review and decision:** The Chief Resilience Officer (or designee) will review the appeal.
  SCOR will issue a written decision within 30 days after receiving the appeal, unless SCOR notifies the tenant in writing that more time is needed.
  The written decision will explain the reason for the decision and what documents were considered.
- **File documentation**: The tenant file must include: the appeal request, proof of receipt date, any documents reviewed, and the written appeal decision letter.
- **Notice in letters**: All tenant determination letters (including HLR offers and withdrawal/noncooperation determinations) must include appeal instructions and the 30-day deadline.

Fraud, Waste And Abuse

SCOR will follow its Fraud, Waste, and Abuse (FWA) Policy in administering relocation benefits described in this manual and will make efforts to recapture funds when appropriate. The program will take appropriate measures to carry out acquisition, rehabilitation, and relocation efforts in a manner that minimizes fraud, waste, and abuse.

Procedures

There are two phases of the URA process. Phase One begins when an Owner-Landlord completes the Beneficiary Intake Application for a tenant-occupied residential property. Phase Two begins once an Owner-Landlord's Purchase Contract is considered binding. The below flowchart identifies the relocation steps throughout the process.
All communication from the Buyout Team, oral and written, will be made as soon as feasible, preferably no later than five days. Timelines for Owner-Landlord and/or Tenant response may vary, but will be included in issued notice, appeal instruction, or other written notification. Owner-Landlord and Tenant Documents will be stored on SCOR's System of Record: S/PROJECT/BUYOUT PROPERTIES/OWNER NAME/TENANT NAME.

URA FLOWCHART

Phase One – Pre Eligibility

Owner-Landlord completes the Intake Application and identifies the Buyout property as a rental dwelling. The Case Manager will discuss the URA process with the Owner-Landlord, request proof of lease (or documentation of the history of rental payments if no lease is available) and when applicable, utility documentation and will provide an Owner-Landlord Acknowledgement Packet. The Owner-Landlord will have 30 days to submit acknowledgement of receipt of packet.

If the home is vacant at the time of application but is subsequently rented, the Owner-Landlord is required to issue a Move-In Notice to Tenant prior to any potential tenant moving in.

The Buyout Team will work concurrently with Owner-Landlord and Tenant during throughout the Buyout process.

- **Tenant Identification:** As soon as feasible, preferably within five days of receipt of the Owner-Landlord's Tenant Survey, the Case Manager will mail a General Information Notice (GIN) and HUD 1042 Booklet to the Tenant. The tenant(s) will be required to sign and return documents within 30 days.
- **Tenant Interview:** Following receipt of the signed notice, SCOR will contact Tenant to schedule a Tenant Interview, as soon as feasible, preferably within five days. During the interview, the Case Manager will guide the Tenant through a step-by-step, self-paced relocation process, without regard to race, color, religion, sex, age, handicap, familial status, or national origin, in accordance with [49 CFR 24](#) . The interview will follow the Interview Checklist[8] includes:
    - Buyout basics including the voluntary nature of the program and why the tenant is being contacted;

[8] URA ANNEX #8 Interview Checklist

- Tenant's eligibility for URA has not been assessed yet and the tenant must continue to pay rent and abide by the terms of their existing lease agreement;
- Review the GIN Notice, HUD brochure, and provide the opportunity for the tenant to ask questions;
- Collect information on existing rental unit using the Tenant Survey Form;
- Determine tenant relocation needs and preferences for comparable dwelling units using the CRD Worklist[9];
- Explain to tenant that if at least one comparable dwelling unit cannot be found, a housing of last resort assistance option may be provided;
- Take other appropriate actions, as needed, to assist the tenant.
- Discussion regarding documentation and information needed for use in determining eligibility and relocation benefits, such as:
-
    - Tenant Identification
    - Proof of Income (earned and unearned)
    - Proof of lawful presence
    - Copy of executed lease
    - Utility Bills, if applicable
    - Proof of primary residency
    - If applicable, documentation of any federal assistance received previously.

The Tenant will be required to submit all required documentation no later than 30 days of request. Information obtained through interviews, documentation and research will be used to track eligibility determination and advisory services through the Eligibility Determination Form and Relocation Checklist.

- **Tenant Documentation:** The following documentation will be completed and kept in the Tenant File in the System of Record:
    - GIN
    - NOE
    - 90-Day Notification
    - CRD research
    - Claims Form
    - Moving Form
    - Eligibility Determination Form
    - Relocation Checklist

[9] URA ANNEX#9 CRD Worksheet

- **Research Comparable Replacement Dwelling:** SCOR will conduct CRD searches using data collected from the Tenant Interview. In areas where SCOR has identified a lack of rental stock, the Buyout Team may begin CRD searches prior to Displacement Dwelling being under contract.

  The Tenant may be asked to help locate Replacement Dwellings, or the Tenant may provide information to their Case Manager of a dwelling they are interested in either renting or purchasing. If the dwelling meets the CRD requirements, the Case Manager will make accommodations to have Tenant selected homes inspected for DSS purposes.

  Searches may be conducted using online searches, communication with the local government, local housing programs, and word-of-mouth. When a rental is identified, SCOR will:

    - Use FEMA Mapping Tool to identify if the dwelling lies within a floodplain or floodway. If it does not;
    - Inspect to ensure the dwelling meets DSS requirements.
    - If the dwelling does not meet DSS requirements, SCOR will ask the landlord if they will make needed repairs. If the dwelling cannot be brought up to DSS standards, then SCOR will no longer pursue the dwelling as a Replacement Dwelling option.
    - SCOR will notify Tenant of identified Replacement Dwelling that meets DSS requirements;
    - Tenant will be provided with the opportunity to inspect the dwelling.
    - The Tenant will be provided with a copy of the DSS Inspection Form for review and acknowledgment;
    - All research on dwellings will be kept in the Tenant file on the SOR.
    - The Program Manager will review documentation when comparability may not be straightforward.

SCOR staff will conduct research, attempting to identify and collect cost-related expenses for up to three (3) Comparable Replacement Dwelling (CRD). Tenants may elect to rent a Replacement Dwelling or use any relocation assistance payments toward a down payment. Regardless of the payment type, SCOR will need to inspect10 and ensure all dwellings in which the Tenant decides to reside meet DSS qualifications.

Upon finding a dwelling that meets the needs of the Tenant, SCOR will conduct a Decent, Safe and Sanitary Inspection.

The Tenant will be provided an opportunity to view the dwelling.

- SCOR will aide Tenant when transportation needs are required.
- Application fees can be made by SCOR on behalf of the Tenant.

[10] URA ANNEX#10 DSS Inspection Form

- **Owner-Landlord Accepts Offer Contract:** Once the Owner-Landlord has been deemed eligible for the program, the Displacement Dwelling will be appraised, with an Offer to Purchase being presented to the Owner-Landlord. The Owner-Landlord may voluntarily withdraw from the Buyout Program at any time until the Offer is considered a binding contract. SCOR will request a title search and boundary survey after the Offer has been fully executed by Owner-Landlord and the purchaser (the UGLG). Upon confirmation of a marketable title and filed/recorded boundary survey, the Offer then becomes binding. A tenant who will be involuntarily displaced moves as a direct result of a voluntary acquisition is eligible for relocation assistance when there is a binding written agreement (49 CFR 24.203(a)(4)(b))

Phase 2 – Eligibility Trigger

A binding contract triggers the Initiation of Negotiations (ION), which serves as a milestone for determining the Tenant's eligibility for relocation assistance, including moving costs and replacement housing assistance payments.

- **Initiation of Negotiation (ION)**: The binding of the Offer to Purchase contract triggers the Initiation of Negotiations (ION). The ION serves as a milestone for determining a tenant's eligibility as a displaced person for relocation assistance, which includes any applicable moving costs and appropriate determination of replacement housing assistance payments.
- **Notice Of Eligibility:** The tenant will be notified of the ION trigger date through the Notice of Eligibility Determination letter. SCOR will use the Housing of Last Resort[11] (HLR) provision where a tenant cannot otherwise be appropriately housed within the monetary limits of replacement housing assistance.
- **Ninety-Day Notice:** The 90-Day Notice will be issued to the Tenant when at least one comparable Replacement Dwelling is made available for move-in.
- **Securing A Replacement Dwelling:** SCOR will coordinate efforts between the Landlord of the replacement unit and the Tenant. If Tenant will be using payments for a down purchase, SCOR will coordinate with the Tenant's closing attorney. Upon receiving a copy of lease or preliminary closing documents, SCOR will work with the Tenant to complete HUD-40058 Claim Form.
- **Tenant Move:** The Case Manager will review moving options, but the Tenant must choose prior to their move whether they wish to be reimbursed for moving expenses or have SCOR pay their mover on their behalf in advance of their move. SCOR will provide payment for moving expenses reasonable for South Carolina taking into consideration the number of rooms in the displacement dwelling, and whether the tenant owns and must move furniture, etc. as described in 81 FR 39702 , which established a waiver for standards described in 49 CFR part 24. The Case Manager will help the Tenant complete the HUD-40054 Moving Form.
- **Issuing Payment**: Relocation payments will be issued in a lump-sum payment. Relocation payment calculations are determined using HUD Form 40058. The Program Manager will authorize the payment to be processed. The Director of the Buyout Program (Mitigation or DR) will give final approval for payment to be issued.

  URA payments will be issued through the South Carolina Enterprise Information System (SCEIS). The Case Manager will assist the Tenant with completion of required forms and in setting up a SCEIS Vendor account for payments.

  SCOR will promptly process and pay or reject claims as it deems appropriate. The tenant has 18 months after moving to file an assistance claim, provided they followed the procedures outlined above and

[11] URA ANNEX#11 NOE HLR

notified SCOR appropriately prior to the move.

If a displaced person is moving into temporary living quarters rent-free while they seek permanent housing, SCOR will not pay 3-months work of replacement housing assistance upfront.

Once all displaced tenants have completed relocation or voluntarily withdrawn, all URA requirements will be complete, and records will be retained as required by law. Property owners will be responsible for collecting all property keys from the tenant once the tenant has relocated and safeguarding the house to ensure it remains vacant until the real estate closing.

File Closure

Once all displaced tenants have completed relocation or voluntarily withdrawn, all URA requirements will be complete, and records will be retained as required by law. Property owners will be responsible for collecting all property keys from the tenant after relocating and safeguarding the house to ensure it remains vacant until the real estate closing.

URA Annex

Annex located at the end of this document includes:

- Annex 3: HUD 40058_Claim for Rental Assistance or Down Payment Assistance
- Annex 4: HUD 40054_Claim for Residential Move and Related Expenses
- Annex 5: General Information Notice (GIN)
- Annex 6: HUD 1042 Booklet
- Annex 7: Move-In Notice
- Annex 8: Notice of Eligibility NOE
- Annex 9: 90-Day Notice
- Annex 10: DSS Checklist
- Annex 11: Lead Based Paint
- Annex 12: Interview Checklist
- Annex 13: CRD Worksheet
- Annex 14: Replacement Housing Assistance Payment, Housing of Last Resort & Down Payment Assistance (RHPHLR-DPA) Calculation Form
- Annex 15: Notice of Relocation Eligibility (NOE) & Relocation Assistance Entitlement (RAE – HLR) Letter
- Annex 16: URA FAQ

SECTION 3

The South Carolina Office of Resilience (SCOR) will follow the guidance laid out in Section 3 of the Housing and Urban Development Act of 1968, as amended. Section 3 requires SCOR to ensure that training, employment, and other economic opportunities generated by certain HUD financial assistance shall be directed, to the greatest extent feasible, and consistent with existing federal, state, and local laws and regulations, to low- and very low-income persons. Section 3 regulations do not mean Grantees or contractors are required to hire Section 3 residents or award contracts to Section 3 businesses. SCOR will ensure that Section 3 language is incorporated in all applicable contracting documents generated in conjunction with the use of HUD funding.

The SCOR Section 3 Coordinator serves as a resource to assist the contractors and subcontractors with Section 3 compliance. The Section 3 Coordinator may request additional documentation from the Contractor or subcontractors to ensure compliance.

Section 3 Covered Projects are Lead Hazard Control and Healthy Homes Projects of $150,000 or more and other projects of $300,000 or more. All contractors and subcontractors working on covered projects must make a good faith effort to meet the following Section 3 goals. Good faith effort means taking and documenting actions to expand local economic opportunities. Such actions would include:

- Notifying Section 3 residents and businesses of available contract jobs, training, and employment opportunities,
- Encouraging Section 3 residents and businesses to apply, and
- Actually, employing them or awarding contracts.

The Section 3 goals, which must be met are listed below:

- Section 3 Workers should make up at least 25% of all labor hours, and
- Targeted Section 3 Workers should make up at least 5% of all labor hours. This 5% can be included as a part of the 25% overall goal.
- Subrecipients, contractors and subcontractors must report their efforts to meet Section 3 requirements by completing HUD Form 60002 at HUD's online reporting center. Directions can be found at: https://www.hud.gov/sites/documents/1560002INSTRUCTIONS.PDF . This applies to for the following:

    - State run or subrecipient run Infrastructure projects greater than $300,000 must report their efforts to meet Section 3 requirements
    - Match projects where the grantee's match funds are greater than $300,000, the applicant must report their efforts to meet the Section 3 requirements
    - Buyout projects that are greater than $300,000 in demolition or have follow on construction projects

(Please Note: Voluntary Buyout projects that have less than $300,000 in demolition and going to greenspace would not require Section 3 reporting.)

- Copies of these reports must be sent to the SCOR Section 3 Coordinator on a quarterly basis. Subrecipients not meeting Section 3 numerical goals must demonstrate why meeting the goals was not feasible and will be given additional reporting requirements.

A Section 3 Worker is any worker who currently fits or when hired within the past five years fit into at least one of the following categories, as documented:

- The worker's income for the previous annualized calendar year would categorize them as low or very-low income,
- The worker is employed by a Section 3 business concern, or
- The worker is a participant of a YouthBuild program receiving assistance under the Workforce Innovation and Opportunity Act.

When considering a Section 3 Worker's Qualifications, their status may not be negatively affected by a prior arrest or conviction. However, this should not be construed as requiring the employment of a person who meets the definition of a Section 3 worker. Section 3 workers are not exempt from meeting all required qualifications of any position to be filled.

A Targeted Section 3 Worker is a worker described in §§ 75.11, 75.21, or 75.29 who is currently employed or who was hired within the past five years and is still employed by a Section 3 business concern, and is documented to be:

- A resident of public housing or Section 8-assisted housing,
- A resident of another project managed by the PHA (Public Housing Authority) that is expending assistance, or
- A participant of a YouthBuild program receiving assistance under the Workforce Innovation and Opportunity Act.

When considering qualifications for Targeted Section 3 Workers, their status may not be negatively affected by a prior arrest or conviction. However, this should not be construed as requiring the employment of a person who meets the definition of a Targeted Section 3 worker. Targeted Section 3 workers are not exempt from meeting all required qualifications of any position to be filled.

A Section 3 Business Concern is a business, which was documented in the last six-month period to meet at least one of the following criteria:

- It is at least 51% owned and controlled by low- or very low-income persons,
- It is at least 51% owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing, or
- Over 75% of the labor hours performed for the business over the prior three-month period were performed by Section 3 workers.

A Section 3 Worker is any worker who currently fits or when hired within the past five years fit into at least one of the following categories, as documented:

- The worker's income for the previous annualized calendar year would categorize them as low or very-low income,
- The worker is employed by a Section 3 business concern, or
- The worker is a YouthBuild participant.

FAIR HOUSING

The South Carolina Office of Resilience (SCOR) during the operation of its HUD-funded Community Development Block Grant-Mitigation (CDBG-DR) Programs, will comply with Federal Fair Housing laws and regulations when applicable.

CITIZEN PARTICIPATION PLAN

SCOR values citizen and stakeholder engagement. South Carolina has developed a Citizen Participation Plan in compliance with § 24 CFR 91.115 and applicable HUD requirements to set forth the policies and procedures applicable to citizen participation. This plan is intended to maximize the opportunity for citizen involvement in the planning, development, and execution of the South Carolina CDBG-DR program. To facilitate citizen involvement, South Carolina has identified target actions to encourage participation and allow equal access to information about the program by all citizens. South Carolina intends to focus outreach efforts to facilitate participation from individuals of low and moderate income, non-English speaking persons, and other disadvantaged populations. SCOR has published its Action Plan in Spanish as well as English. In addition to citizen involvement, South Carolina encourages the participation of regional and State-wide institutions. South Carolina will consider any comments received in writing, via email, or expressed in-person at official public hearing events. Additionally, to permit public examination and public accountability, South Carolina will make the above information available to citizens, public agencies, and other interested parties upon request.

In anticipation of receiving federal CDBG-DR funds, SCOR is required to incorporate specific citizen participation requirements. This plan outlines how SCOR intends to meet or has already met these requirements. As the agency administering the Mitigation Program, SCOR is committed to furthering fair housing through established affirmative marketing and outreach activities. SCOR will take steps based on the Fair Housing Act of 1968 to reduce disparities in housing choice, access, and opportunities based on protected class (e.g., race, color, religion, familial status, sex, national origin, or disability). Toward achieving that objective, SCOR will ensure that its outreach, communication, and public engagement efforts are comprehensive to reach as many impacted citizens as possible.

Outreach Activities and Public Hearings

"An invisible program is not a viable program."[12]

The objectives of SCOR's outreach activities are to ensure that citizens and UGLGs (potential applicants) have an opportunity to comment on or suggest proposed uses for the funds, and to maximize public awareness and access to MIT program funds when available.

1. Create and update the CDBG-DR Action Plan
2. Awareness and Education on CDBG-DR Funding Opportunities

Creation of the SC CDBG-DR Action Plan

During the development of the SC CDBG-DR Action Plan, the state conducted in-person meetings with key regional stakeholders. Under the CDBG-DR requirements, 24 CFR § 91.115, SCOR was required to hold one public hearing before the development of the draft CDBG-DR Action Plan and one following the Action Plan being published for public comment. To maximize public awareness, SCOR held three public hearings, all of which are outlined in the Action Plan. A public comment period followed publication of the Action Plan.

Update of the SC CDBG-DR Action Plan

SCOR will engage citizens throughout the program lifecycle to maximize the opportunity for input on proposed program changes that result in a Substantial Amendment. According to the Action Plan a "substantial amendment" occurs when there is a:

- An addition or deletion of any allowable activity described in the approved application

[12] https://www.hud.gov/sites/documents/HHPGM_FINAL_CH7.PDF

- The addition of a covered project
- An allocation or re-allocation of more than $5 million
- A change in planned beneficiaries

The following checklist should be used when implementing a substantial amendment. Please note that non-substantial amendments require HUD notification & placement on the website, but do not require public comment.

- Provide citizens with no less than 30 days to review and provide comment (if a substantial amendment)
- Create a summary of all comments received and include in the final Substantial Amendment submitted to HUD for approval
- Once approved by HUD, post the amendment to the SCOR website. All amendments shall be numbered sequentially.

Awareness and Education on CDBG Funding Opportunities

Throughout the life of the program, CDBG staff will make a continual effort to inform and notify eligible entities of funding opportunities in the following program areas: infrastructure, buyouts, plans & studies, and fund matching. Each program may require slightly different outreach procedures. For instance, the buyout program, upon project approval, may conduct more citizen-based outreach through buyout interest meetings and intakes, whereas other program will remain more UGLG focused. Additionally, the Match program will focus their outreach on communities that have applied for mitigation funding through EMD and DNR that may need funding to meet those programs' match requirements.

Social Media Notifications

SCOR will use its official social media platforms, in addition to its disaster recovery website and other outreach methods, to alert residents and eligible applicants when applications for Hurricane Helene CDBG-DR activities open and when SCOR will hold public hearings concerning CDBG-DR plans or projects. Notices will identify the activity, important dates, participation method, website location for additional information, and how to request language assistance, reasonable accommodations, or an accessible format. SCOR will retain copies or screenshots of the social media notices and the dates posted.

Targeted Outreach

Most Impacted & Distressed Counties

All outreach events should focus on, or take place in, the Most Impacted and Distressed areas that are eligible to apply for CDBG-DR funding. These counties are listed below. In addition to the county governments, outreach should also focus on municipalities within and COGs covering these counties, who are eligible applicants:

HUD Most Impacted and Distressed Counties	
1. Aiken	4. Greenwood
2. Anderson	5. Laurens

3. Greenville	6. Spartanburg

SCOR will communicate information about the program and public meetings through community organizations and news outlets, including but not limited to:

- Advertisements in local news media outlets, including newspapers and broadcast media that provides unique access for persons who are considered members of a protected class under the Fair Housing Act or have Limited English Proficiency (LEP). *See the Language Access & Special Needs section.*
- Informational flyers or door hangers advertising the program
- Distribution of informational flyers through government agencies, the faith community, schools, public and/or non-profit organizations, and other community groups.
- Outreach to municipal associations and legislators who represent eligible counties

Partners in Outreach

SCOR will coordinate outreach efforts with other state agencies, non-profits, and other entities to assist South Carolina local governments in securing funding for mitigation studies, plans and projects. At some outreach events, such as Road Shows, the SCOR Mitigation team presents alongside other state agencies such as DNR & EMD, who present complementary mitigation programs.

LANGUAGE ACCESS & SPECIAL NEEDS

The South Carolina Office of Resilience (SCOR) is committed to providing all citizens with equal access to information about its HUD-funded Community Development Block Grant-Mitigation (CDBG-DR) programs, including persons with Limited English Proficiency (LEP) and disabilities. The State follows HUD's regulation, 24 CFR Part 1, “Nondiscrimination in Federally Assisted Programs of the Department of Housing and Urban Development—Effectuation of Title VI of the Civil Rights Act of 1964,” which requires all recipients of federal financial assistance from HUD to provide meaningful access to LEP persons

SCOR has adopted a Language Assistance Plan (LAP) to provide meaningful access to its programs and activities by persons with LEP. In accordance with federal guidelines, SCOR will make reasonable efforts to provide or arrange free language assistance for its LEP persons. When a significant number of non-English speaking residents can be reasonably expected to participate in public hearings or open comment periods, materials to be handed out will be translated into the appropriate language, citizen comments in a language other than English will be translated, and translators will be present. These populations will be identified through the mapping of the Census and other data or non-profit or stakeholder identification of need. The SoVI® Targeted, specialized outreach will be conducted to these populations to ensure proper notice of the opportunity to attend hearings or provide input on all proposed plans. This includes all South Carolina residents who are interested or are already participating in a current or announced CDBG-DR Program.

The LAP focuses on plans for individuals with limited English proficiency. Plans to meet the communication needs of clients who are deaf, hard-of-hearing, or blind are also important and will be properly addressed by reasonably complying with applicable legislation such as Section 504 and the Section 508 Amendment to the Rehabilitation Act of 1973, and Title II and Title III of the Americans with Disabilities Act (1990).

Meaningful access is free language assistance in accordance with federal guidelines. The number and proportion of persons with Limited English Proficiency (LEP) who are eligible to be served or likely to be encountered by the program or grantee are based on U.S Census Bureau American Community Survey (ACS) 2006-2010 population. Based on the eligible population, it was concluded that Spanish is the only majority language spoken in any eligible county for the CDBG-DR Program. As a result of this initial population analysis, all Action Plans, any ensuing amendments, outreach materials, and any application and related guidance materials will be published in both English and Spanish.

PROGRAM INCOME

The State does not intend to implement any programs that generate income as described in 24 CFR 570.489. If program income is generated, the State of South Carolina will utilize program income as follows: Income received prior to the grant closeout will be utilized as additional CDBG-DR funds in the same manner as other CDBG-DR funds referenced; any income received after the grant closeout, will be transferred to South Carolina's annual CDBG award.

If program income is generated, SCOR will input the amount of program income into DRGR on a quarterly basis. With the input of program income, the Project Budgets and Activity Budgets will also be updated. After the adjustments in DRGR have been made to account for program income, SCOR will resubmit the DRGR Action Plan for HUD approval.

PROCUREMENT

SCOR's CDBG-DR Program Procurement policy and procedures are governed by those specific procurement requirements set forth under 24 CFR Part 570, Part 85, 2 CFR 200.318-200.326 and all applicable State laws and regulations. Aligned with the requirements of these federal regulations, when procuring property or services to be paid for in whole or in part with CDBG-DR funds, South Carolina will follow its own State procurement policies as those procedures are as stringent, or more so, than the federal procurement requirements. Furthermore, the State shall ensure that each procurement occurs with full and open competition.

SCOR Procurement

SCOR follows South Carolina's procurement policies with the requirements set forth under 2 CFR 200.318-200.36 ensuring fair and open competition. The full set of South Carolina procurement processes and the laws and regulations applicable thereto can be located at http://procurement.sc.gov/legal/procurement-law. SCOR's CDBG-DR Action Plan lays out further detail on how it executes procurement.

The following table provides a cross-reference between the federal regulatory requirement and its counterpart under South Carolina's procurement law:

Federal Citation	*Short Title*	*South Carolina Consolidated Procurement Code & South Carolina Budget and Control Board Regulations 19-45-445, et seq.*	*Short Title*
2 CFR 200.318	*General Procurement Standards*	**§11-35-20**	*Purposes and Policies*
2 CFR 200.319	*Competition*	**§11-35-20(a)-(h)**	*Purposes and Policies*
2 CFR 200.320	*Methods of Procurement to be followed*	**§§11-35-1510-1580**	*Methods of source selection; Methods of Procurement to be followed including, but not limited to, Micro Purchases (§11-35-1550(2)(a)), Small Purchases, Competitive Sealed Bidding, Competitive Proposals and Non-Competitive Proposals/Sole Source*
2 CFR 200.321	*Contracting with Small, Minority, Women Owned Bus.*	**§§11-35-5010; 11-35-5210; 11-35-5230; 11-35-5240; 11-35-5260; 11-35-5270**	*Article 21: Assistance to Minority Businesses; includes: Statement Policy/Implementation, Regulations for negotiations with State Minority Firms; MBE Utilization Plan; Reporting; Division of Small/MBE Certification*
2 CFR 200.322	*Procurement of Recovered Material*	**§11-35-3810; 19-445.2150**	*Surplus Property Management*
2 CFR 200.323	*Contract Cost and Price*	**§§11-35-2010(1); 11-35-3510; 11-35-1830; 11-35-1210(2)(C); 11-35-1550(2)(a); 11-35-1830; 11-35-3040; 11-35-3050; 11-35-3410(2)(a); 11-35-5230(a)(5)**	*Cost and/or Pricing Data; Contract Price Adjustments; Cost Principles; Fair and Reasonable Price Minority Firms*
2 CFR 200.324	*Federal Awarding or pass-through Entity review*	*(Compliance with this reg. to be achieved through execution of implementation of grant agreement with HUD)*	
2 CFR 200.325	*Bonding Requirements*	**§11-35-3030; 19.445-2145(C)(M)**	*Bond and Security*
2 CFR 200.326	*Contract Provision*	**§11-35-3040**	*Contract Clauses and their Administration*

Subrecipient Procurement

Subrecipients of SCOR's CDBG-DR funded Mitigation program must comply with the South Carolina Consolidated Procurement Code, S.C Code Ann. § 11-35-10, et. Seq. The SCOR has also adopted 2 CFR 200.317 as it relates to the administration of CDBG-DR programs, meaning CDBG-DR Subrecipients are required to follow the Federal procurement requirements found in 2 CFR 200.318 through 200.326.

The standards and guidelines outlined in this manual are being furnished to ensure Subrecipients of CDBG-DR funds procure materials and services in an efficient and economical manner that is in compliance with the applicable provisions of Federal and State laws and executive orders. The foregoing standards do not relieve CDBG-DR Subrecipients of any contractual responsibilities under its contracts or local, state, or federal law. Subrecipients are responsible, in accordance with good administrative practice and sound business judgement, for the settlement of all contractual and administrative issues arising out of procurement entered in support of the grant.

The SCOR staff will relay the information contained herein to Subrecipients via the SCOR website, www.scor.sc.gov, through trainings and checklists, and during onsite monitoring and reviews. Additional resources may be found on the HUD Exchange website including example procurement documents and checklists. These samples can be used to assist Subrecipients in complying with federal regulations; however, Subrecipients should review all procurement documents and procedures to ensure they also comply with local and state laws and regulations.

Procurement for CDBG-DR Subrecipients establishes standards and guidelines for procurement of supplies, equipment, construction, engineering, activity administration, architectural, consulting, and other professional services for CDBG-DR programs. Subrecipients must comply with the South Carolina Consolidated Procurement Code, S.C Code Ann. § 11-35-10, et. Seq. SCOR has also adopted 2 CFR 200.317 as it relates to the administration of CDBG-DR programs, meaning CDBG-DR Subrecipients are required to follow the Federal procurement requirements found in 2 CFR 200.318 through 200.326. The following standards and guidelines are being furnished to ensure Subrecipients of CDBG-DR funds procure materials and services in an efficient and economical manner in compliance with the applicable provisions of Federal and State laws and executive orders.

Conflicts of Interest

A conflict of interest is, by definition, a conflict between the private interests and the official or professional responsibilities of a person in a position of trust. It is the intent of SCOR to encourage confidence in the integrity of all Program staff.

This includes all members of the SCOR management team, program staff, South Carolina State Employees, Subrecipients, Contractors, Subcontractors, and any additional team members. SCOR has a firm expectation that all staff will be diligent in the avoidance of potential and actual conflicts of interest, as well as perceptions of conflicts of interest. A conflict of interest may occur when the private interests of a person in a position of trust are inconsistent with or impede his/her official responsibilities. This is especially true when applicants are selected to receive assistance and when contracts for goods or services are awarded.

To establish internal controls for identifying potential conflicts of interest, all team members, employees, and other parties participating in the determination of eligibility and/or the distribution of funds, are expected to practice good judgment when presented with a situation, which may involve a potential or actual conflict.

All Program staff are required to make full disclosure to their supervisor of any interests, relationships, and holdings, which could potentially result in a conflict of interest. Potential conflicts of interest may include relationships with neighbors, acquaintances, friends, family members, and other members of the community. As soon as a project team member is aware they have a current or prior relationship or familiarity with a potential applicant they are required to immediately notify their supervisor. The supervisor will ensure that project team members do not process or interact with applications with potential conflicts of interest.

This separation of responsibility will ensure an unbiased approach to the processing of all applications and final eligibility determinations. The goal is for every South Carolina citizen and local government to have confidence their application is being processed with expedient efficiency and integrity. In the event a potential or actual conflict is reported, the Program Manager will review the circumstances in-depth and be responsible for determining the course of action to be taken if a conflict is found to exist. If a team member has any doubt as to whether a current or prior relationship poses a potential conflict of interest, they should request guidance from their supervisor.

Local Procurement Policies

Subrecipients of SCOR's CDBG-DR funded Mitigation program must use the State's procurement process to secure contract services. In addition to ensuring compliance with the state procurement regulations (South Carolina Code of Laws 8-13-700). Subrecipients must ensure they are in compliance with all federal requirements contained in 2 CFR 200.318-326.

1. Oversight. Subrecipient must maintain oversight of contractors to ensure their perform is in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

2. Standards of Conduct. Every Subrecipient must maintain written procedures covering conflicts of interest and governing the actions of its employees, agents, consultants, and elected officials engaged in the selection, award and administration of vendor contracts, the award of CDBG-DR assistance, or the management of Federally assisted or purchased property.
    - For the procurement of goods and services, no employee, officer, or agent of the Subrecipient may participate in the selection, award, or administration of a vendor contract supported by a federal award if he/she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, agent, any member of his/her immediate family, his/her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in a tangible personal benefit from a firm considered for a vendor contract. (24 CFR 570.489(g), 2 CFR 200.318(c)(1))
    - The officers, employees, or agents of the Subrecipient may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts.
    - The standards of conduct must also provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the Subrecipient

3. Avoidance of Unnecessary or Duplicative Items. Subrecipients must avoid the acquisition of unnecessary or duplicative items by giving consideration to consolidating or breaking out procurements to obtain a more economical purchase.
4. Value Engineering Clauses. Subrecipients are encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions.

1. Awarding to Responsible Contractors. Subrecipients must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Consideration shall be given to such matters as contactor integrity, compliance with public policy, record of past performance, and financial and technical resources.

6. Record Keeping. Subrecipients must maintain records sufficient to detail the history of procurement. These records shall include, but are not limited to, the following:
   - Rationale for the method of procurement
   - Selection of contract type
   - Contractor selection or rejection; and
   - The basis for the contract price

7. Time and Materials Contracts. Subrecipients may not use a time and materials contract for the purposes of this Mitigation Program.

8. Dispute Resolution. Subrecipients alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve Subrecipients of any contractual responsibilities under its contracts.

Local Procurement Procedures

Subrecipients must have written procedures for procurement transactions that ensure all solicitations:

- Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured
- Identify all requirements which the offerors must fulfill
- Identify all other factors to be used in evaluating bids or proposals; and
- Are conducted in a manner providing full and open competition
  - In order to ensure objective contractor performance and eliminate unfair competitive disadvantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or request for proposals must be excluded from competing for such procurements
  - Some situations considered to be restrictive of competition include, but are not limited to, the following:
    - Placing unreasonable requirements on firms in order for them to qualify to do business
    - Requiring unnecessary experience and excessive bonding
    - Noncompetitive pricing practices between firms or between affiliated companies
    - Noncompetitive contracts to consultants that are on retainer contracts
    - Organizational conflicts of interest
    - Specifying only 'brand name' products instead of allowing an equal product to be offered and describing the performance or other relevant requirements of the procurement; and
    - Any arbitrary action in the procurement process

When using prequalified lists, Subrecipients must ensure that all lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, Subrecipients must not preclude potential bidders from qualifying during the solicitation period.

Cost and Price Analysis

For procurement actions in excess of the small purchase threshold, Subrecipients must perform a cost or price analysis. This requirement also applies to contract modifications and change orders.

Price Analysis

Price analysis is the process of evaluating and comparing prices for goods or services and should be documented in the procurement file. In conducting a proper price analysis, Subrecipients must request an adequate number of bids, proposals, or quotes for the materials, supplies, or services being procured for comparison. When comparing prices, Subrecipients should review for significant discrepancies to determine if the goods or services are comparable.

Cost Analysis

Subrecipients will utilize this process to help determine if proposed costs are allowable, reasonable, and allocable as described in 2 CFR 200.403-405. Prior to receiving bids or proposals, Subrecipients should establish an independent estimate for the goods or services to be procured. When conducting a cost analysis, Subrecipients must review and evaluate the separate elements of cost and negotiate profit in a received proposal.

A cost analysis is required when price competition does not exist. The following are examples of when cost analysis is used:

- The competitive proposal method is used
- The sole source procurement method is used
- Only one bid is received during a sealed bid procurement and
- A contract modification is requested that changes the price or total estimated cost (either upwards or downwards)

Conducting a Price and Cost Analysis

Subrecipients should include the following in their analysis:

- Check the accuracy of the prices submitted
- Evaluate the necessity of the proposed cost items
- Evaluate the separate elements of cost
- Review proposal for potential cost overruns, taking into consideration the vendor’s past performance
- Compare proposed prices to Subrecipient’s independent cost estimate; and
- Compare proposed prices to previous cost estimates or actual costs incurred for similar work

Price Guide Methodology

The South Carolina Office of Resilience (SCOR) utilizes a 2-part pricing methodology to ensure conformity with cost reasonableness guidelines set forth by the Housing and Urban Development guidelines and the South Carolina Office of Resilience Mitigation Action Plan.

Part I

Part I takes into account industry standards by identifying similar, relevant studies and calculating an adjusted price based on project cost and area size with proportional mathematics. The resulting data offers a range with which the new price should sit.

Part II

Part II guides price by multiplying a pre-determined base-price with 2-3 variables, contingent upon applicant-type. The variables used are complexity, scope, and number of focus areas. These variables were weighted differently in different scenarios to obtain the most accurate prices. At the time of price guide development, the Plans and Studies Program had 10 ongoing studies, meaning that 10 data points were available for use. These precedents were helpful starting points for developing base-prices.

Multiple scenarios were run in which the variables, complexity, scope, and number of focus areas, were weighted at 5%, 10%, 15%, and combinations of these three percentages. Different starting prices, based on the precedents set in the first 10 studies and variations of such precedents, were tested with the differently weighted scenarios. The resulting base-prices and variable weights were selected as they resulted in the most reasonable and sound price outcomes.

Each study will get ranked based on these variables. For example, if a City-wide project is very complex, has a robust scope, and has identified only one focus area of concern, the equation would be as follows: $200,000 X 1.15 X 1.15 X .9 = $238,050. This number must fall in the range identified in Part I. It is this resulting price that SCOR will bring to guide firm negotiations.

It is important to note that towns do not have number of focus areas as a variable due to their small size.

Applicant Type	Base Cost	Complexity	Scope
Town	$150,000.00	5%	10%

Applicant Type	Base Cost	Complexity	Scope	# of Focus Areas
City	$200,000.00	5%	5%	5%

Applicant Type	Base Cost	Complexity	Scope	# of Focus Areas
County	$450,000.00	5%	5%	5%

Once cost reasonableness has been completed, a memorandum will be drafted and placed into the project's file (See Annex 1).

Profit Negotiation

Subrecipients must negotiate profit as a separate element of the price for each contract in which there is no price competition and, in all cases, where cost analysis is performed12. Per HUD's "Quick Guide to Cost and Price Analysis, "all of the following criteria must be considered when negotiating profit:

- Complexity of the work to be performed
- Amount of risk the contractor may be exposed to (performance and/or cost)
- Contractor's investment and resources dedicated to performing the contract (labor, oversight, etc.)
- Use of subcontractors by the prime contractor and the nature of the work to be performed
- Quality of the contractor's past performance for similar work and
- Industry profit rates in the surrounding area for similar work

Subrecipients are responsible for maintaining records and any documentation used to support the profit negotiation.

Contracting with Historically Under-Utilized Businesses (HUB), Small and Minority Businesses, Women's Business Enterprises, And Labor Surplus Firms

Subrecipients must take all necessary steps to affirmatively assure HUBs, small and minority businesses, women's business enterprises, and labor surplus firms are notified of bidding opportunities and utilized whenever possible. Affirmative steps must include the following:

- Placing qualified small and minority businesses and women's business enterprises on solicitation lists
- Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources
- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises
- Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises
- Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce and
- Require the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in parts (1)-(5) above

Suspension and Debarment

SCOR will follow the procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR part 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities[13].

Subrecipients must ensure, prior to award, that all contractors receiving CDBG-DR funds have met all the eligibility requirements outlined in state and Federal law. At a minimum, the following steps must be taken to ensure contractor eligibility for all services procured.

- Contractors: All contractors, including professional consulting and engineering firms, must be cleared via a search of the Federal System of Award Management ('SAM') to ensure the contractor is in good standing and has not been debarred. The SAM portal can be found here: https://sam.gov/SAM/pages/public/searchRecords/search.jsf. A copy of the Sam search result must be kept in the subrecipients file on that contractor.
- Subcontractors: Subrecipients must notify the selected prime contractors that it is the sole responsibility of the prime contractor to verify subcontractor eligibility based on factors such as past performance, proof of liability insurance, possession of a federal tax number, debarment, and state licensing requirements

[13] 2 CFR 200.318(h) and 2 CFR 200.213

After a contactor has been verified in the Federal System for Award Management (SAM) and the State's Debarment List, a memorandum noting the checks and their findings will be prepared and placed into the project file (See Annex 2). It should be noted that if any of the above listed parties are deemed ineligible to receive CDBG-DR funds after award of contract, the contract will be immediately terminated. The matter must be reported to SCOR for further action.

Methods of Procurement

The methods of procurement should follow the more stringent of local, state, or federal requirement. If it appears requirements contradict federal procurement standards, Subrecipients may request Technical Assistance to determine the best method of procurement. Below are the minimum requirements that Subrecipients must utilize:

Small Purchases

The small purchase method is used for the acquisition of supplies or services greater than the micro-purchase threshold and less than or equal to the small purchase threshold. Small purchase procedures are relatively simple and do not require a formal solicitation for securing services, supplies, or other property. For local governments, the State small purchase threshold is $10,000.

If small purchase procedures are used, price or rate quotations must be obtained from a minimum of three qualified sources. Documentation of the rate quotations must be maintained for record-keeping requirements.

Sealed Bids (Formal Advertisement)

Sealed bids, bids that are publicly solicited and a firm fixed price contract (lump sum or unit price) are awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest price. This is the preferred method for construction contracts.

Competitive Proposals

The procurement by competitive proposals technique is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. A Request for Proposal (RFP) is used when qualifications and price are used in evaluating proposals and is the preferred method for administrative services. A Request for Qualification (RFQ) is used to procure architectural or engineering professional services where qualifications are used in evaluating proposals and price is not used as a selection factor.

Noncompetitive Proposals (Sole Source)

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may only be used when one or more of the following circumstances apply:

- The item is available only from a single source
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation
- The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity
- After solicitation of several sources, competition is determined inadequate

The following table outlines the four procurement methods used to procure materials, supplies, construction, and services.

Procurement Type	Cost Reasonableness	Contract Type	Solicitation Method	Applications

Small Purchase	• Price Analysis	• Purchase Order • Fixed Price	• Quotations • Submitted Bids	• Supplies • Produced items • Single-task service
Sealed Bid (formal advertising)	• Price Analysis • Cost Analysis	• Fixed Price	• Submitted Bids	• Construction items • Produced or designed items
Competitive Proposals	• Price Analysis • Cost Analysis	• Cost Reimbursement • Fixed Price • Time & Materials	• Submitted proposals	• Professional services • Multi-task services • Designed items
Noncompetitive proposals	• Cost Analysis	• Cost Reimbursement • Fixed Price • Time & Materials	• Submitted proposals	• Produced items • Single task service • Professional services • Multi-task services • Designed item

Small Purchase Procedures

Prior to utilizing the Small Purchase method of procurement, Subrecipients should consider the aggregate cost of the goods or services. To use this method of procurement, the aggregate dollar amount of the goods or services cannot exceed the small purchase threshold (see previous section).

Subrecipients cannot use the small purchase procurement method to make separate, sequential, or component purchases of goods or services with the intent of avoiding the competitive bidding and competitive proposal requirements.
When seeking quotes, Subrecipients must clearly explain to all vendors providing quotations that the information provided is being sought for informational purposes only and the request for quotation does not constitute a formal solicitation. Extra care must be given to avoid giving a vendor any competitive advantage in a future procurement initiative.

Step 1: Comply with Davis-Bacon Act requirements, if Applicable

Subrecipients must obtain prevailing wage rates as required by the Davis-Bacon and Related Acts and incorporate those wage rates into the procurement for construction (see Davis-Bacon section).

Step 2: Contact a Minimum of Three (3) Vendors

Subrecipients must use the Small Purchase Procurement Record to document quotes received. Quotations may be requested via telephone, fax, email, mail, or any other reasonable method.

Subrecipients must take all necessary steps to affirmatively assure HUBs, small and minority businesses, women's business enterprises, labor surplus firms, and Section 3 businesses are notified of bidding opportunities and utilized whenever possible (see Section Contracting with HUBs, SMBs, WBEs and labor Surplus Firms section).

Step 3: Award the contract.

Subrecipients should conduct a price analysis and award to the lowest responsible bidder (see Cost and Price Analysis section). If the Subrecipient does not award the contract to the lowest bidder, the reasoning must be documented and in compliance with federal, state, and local regulations. Subrecipients must verify that the vendor is not debarred under the System for Award Management (see Section Suspension and Debarment Section).

Step 4: Execute the contract.

Subrecipients must submit the Small Purchase Procurement Record and Financial Interest Report to SCOR within 30 days of executing a prime contract. For subcontractors, the Financial Interest Report is due before the final draw.

Sealed Bid Procedures (Formal Advertisement)

Procurements for materials, equipment, and construction services with a total cost over the small purchase threshold (see Small Purchase Procedures section) must formally advertise for sealed bids. Procurement by sealed bids is the preferred method for procuring materials, equipment, and construction services if the following conditions apply:

- A complete, adequate, and realistic specification or purchase description is available
- Two or more responsible bidders are willing and able to compete effectively for the business; and
- The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price

Step 1: Creation of Sealed Bid Packages

Subrecipients must create a bid package, usually written by an architect or engineer and based off prepared plans or working drawings, that provides a clear and accurate description of technical requirements for materials and products and/or services to be provided on the project. This package must:

- Be sealed by an architect or engineer registered in The State of South Carolina and, if the project falls under the jurisdiction of another state agency, approval is required prior to construction
- For fire stations, garages, and/or buildings that will be accessible to the public once constructed, a certification that applicable standards of accessibility by the handicapped have been or will be satisfied must be executed and co-signed by a local jurisdictional official, filed in the contract documents file, and a copy must be sent to the State
- Contain all properly obtained lands, rights-of-way, and easements necessary for carrying out the project
- Contain processes and procedures in accordance with the provisions of the Uniform Relocation Act for the acquisition of land occurring during the project; and
- Contain all forms and contract provisions applicable to the project and required by federal and state laws and regulations

The base bid should include all components of the approved project and should not include any items which were not included in the approved applications, or which have not received subsequent approval. SCOR approval should be received prior to awarding a bid that includes items not listed in an approved performance statement. Note: For fixed price contracts with unit cost pricing, the bid specifications should delineate some type of item, estimated quality, unit price, and total cost.

Step 2: Comply with Davis-Bacon Act Requirements

Subrecipients must obtain prevailing wage rates as required by the Davis-Bacon and Related Acts and incorporate those wage rates into the procurement for construction (see Davis-Bacon section).

Step 3: Advertise for Bids

The invitation for bids must be publicly advertised, and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids. The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond.

Subrecipients must take all necessary steps to affirmatively assure HUBs, small and minority businesses, women's business enterprises, labor surplus firms, and Section 3 businesses are notified of bidding opportunities and utilized whenever possible (see Section Contracting with HUBs, SMBs, WBEs and labor Surplus Firms section).

Step 4: Public Opening of Sealed Bid Packages

All bids will be publicly opened at the time and place prescribed in the invitation for bids. All sealed bid packages must be opened in accordance with the following standards in addition to any requirements imposed by local, state, and federal law:

- All bids shall be opened and read aloud during the bid opening and the apparent low bidder should be determined during this time
- Bids shall undergo a review for both technical and legal responsiveness
- Bidders must be evaluated as having the capacity to furnish the products and/or services required; and
- Minutes of bid opening along with tabulation of bids shall be placed in the contract file

Subrecipients should take action within 45 days of the bid opening, or as otherwise specified in the bid documents, to either award a contract to the lowest responsible bidder or reject any and all bids for just cause. Any or all bids may be rejected if there is a sound documented reason.

If accepted, the Subrecipient and the lowest responsible bidder may, by mutual written consent, agree to extend the deadline for award by one or more extensions of 30 calendar days. Any final contracts awarded must be done so in compliance with the most recent federal wage decision. Subrecipients must maintain documentation of the date, time, and location of the public bid opening.

Step 5: Award the Contract

A firm, fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually opportune.

Subrecipients must verify that the vendor is not debarred under the System for Award Management prior to awarding a contract. If only one bid is received, the Subrecipient must receive approval from the SCOR before awarding the applicable contract.

Procedures for Bids that Exceed Cost Estimates:

In some instances, the lowest bid received will exceed the amount of funds estimated for a particular project. If this occurs, the Subrecipient shall consult with SCOR to determine the best course of action. Options include:

- Reject all bids received and re-advertise the project
- Revise or reduce specifications and re-advertise the project, if approved by SCOR
- Reallocate funds to cover the overage
- Seek other funding sources such as local funds to cover the overage; and

Step 6: Execute the Contract
Subrecipients must submit the Financial Interest Report to SCOR within 30 days of executing a prime contract. For subcontractors, the Financial Interest Report is due before the final draw.

Competitive Proposal Procedures

Procurement by competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids.

Request for Proposals (RFPs)

RFPs are used to procure professional services such as grant administrative services. This does not include architectural and engineering ("A/E") professional services where the competitive negotiation method is utilized.

Request for Qualifications (RFQs)

RFQs are used to procure professional services such as engineering or architectural firms (A/E). RFQs use a competitive negotiation method. The selection is made based upon the competitor's qualifications, subject to negotiation of fair and reasonable compensation.

This method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort. RFQs cannot be used to procure project management or construction management services.

All A/E contracting fees, even those provided for under either a fixed price contract or a cost reimbursement contract must be deemed reasonable and justifiable. If, after a project has been funded, there is a substantial change in the scope of the project, then SCOR must review and approve these changes and determine whether any additional funds are allowable.

The provision of funds for A/E services is entirely contingent upon the amount of funds deemed allowable by SCOR. Firms will not be compensated from the applicable CDBG-DR program in the event of a project not receiving funding.

Conducting an RFP/RFQ

Step 1: Develop the Request for Proposals (RFP)/Request for Qualifications (RFQ) package
The RFP/RFQ should include a clear and accurate description of the technical requirements for the material, product, or service to be procured. At a minimum, the RFP/RFQ package should include the following:

- Description of Subrecipient's requirements and the scope of services. Subrecipients must utilize Scopes of Work provided by SCOR in their contracts for grant administrators, engineers, and environmental service providers
- Factors and significant sub-factors that will be used to evaluate the proposal and their relative importance
- Detailed instructions on proposal requirements
- Deadline for submission; and
- Anticipated terms and conditions that will apply to a contract awarded under the solicitation
    - A solicitation may authorize offerors to propose alternative terms and conditions. When alternative terms and conditions are permitted, the evaluation approach should consider the potential impact on other terms and conditions or the requirement

Step 2: Advertise the RFP/RFQ

Requests for proposals/requests for qualifications must be publicized and identify all evaluation factors and their relative importance. Subrecipients should allow sufficient time between the solicitation date and proposal deadline. Any response to publicized requests for proposals must be considered to the maximum extent practical.

Proposals must be solicited from an adequate number of qualified sources. Subrecipients must take all necessary steps to affirmatively assure HUBs, small and minority businesses, women's business enterprises, labor surplus firms, and Section 3 businesses are notified of bidding opportunities and utilized whenever possible.

Step 3: Evaluate and rate the proposals

Subrecipients must have a written method for conducting technical evaluations of the proposals received and for selecting respondents. Materials received in response to RFPs and/or RFQs are typically reviewed in accordance with one of the following processes:

- Competitive Point Range. In using this review process, the Subrecipient shall establish a predetermined range of points for proposals that would be considered adequate for qualifying a responder for a particular solicitation. All responders whose proposals or qualification statements score within that range would be invited to an oral interview and asked to submit a best and final offer. The proposals would then be re-evaluated, and the highest scoring firm would be selected

- Highest Point Earner. In using this review process, the Subrecipient shall evaluate all proposals or qualification statements in accordance with predetermined selection criteria and award the contract to the overall highest scoring firm.

For counties, municipalities, and other public entities the local governing body has the final authority to award contracts and may select another respondent if the minutes of the local governing body meeting include justification for the selection. Subrecipients must maintain documentation of the date, time, and location of the public bid opening.

Step 4: Award the contract

Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered.

Subrecipients must also verify that the vendor is not debarred under the System for Award Management prior to awarding the contract. If only one bid or proposal is received, the Subrecipient must receive approval from the SCOR before awarding the applicable contract.

Step 5: Execute the Contract
Subrecipients submit the Financial Interest Report to SCOR within 30 days of executing the contract.

Noncompetitive Proposal Procedures (Sole Source)
Subrecipients MUST obtain written approval from SCOR prior to using this procurement method. All requests to utilize non-competitive procurement must be submitted in writing by the Subrecipient to SCOR and include a justification as to why the contractor is the only known source to provide the goods or services under the contract. The justification and SCOR approval must be maintained for record-keeping requirements.

Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may only be used when one or more of the following circumstances apply:

- The item is available only from a single source
- The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation
- The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the Subrecipient; or
- After solicitation of a number of sources, competition is determined inadequate
- Subrecipients should conduct a cost analysis to determine if proposed costs are allowable, reasonable, and allocable. Subrecipients must also verify that the vendor is not debarred under the System for Award Management

3.08 CONTRACTING

Types of Contracts

Purchase Orders:
Purchase orders are a form of contract utilized for the purchase of supplies, single task services, and produced items procured through the small purchase method. A Purchase Order should contain, at a minimum, the following:

- Agency name and address
- Agency contract or Purchase Order number
- Date of the order

- Term of contract (delivery period after receipt of order or beginning and end dates)
- Contractor's name, payee/vendor identification number, address, and zip code
- NIGP class/item for each item
- Purchase Code Category
- List of contract documents and their order of precedence
- List of awarded items with quantity, unit of measure, unit price with extended totals, and
- Signature of authorized/certified purchasing representative

Fixed Price Contract:

A fixed price contract is suitable for the acquisition of commercial items, including construction, or for the acquisition of other supplies or services on the basis of reasonably definite functional or detailed specifications and when the contracting officer can establish fair and reasonable prices at the outset. This contract type:

- Places maximum risk and full responsibility for costs and resulting profit loss on the contractor
- Provides maximum incentive for the contractor to control costs and perform effectively and
- Imposes and minimum administrative burden upon the contracting parties.

Cost Reimbursement Contract:

A cost reimbursement contract is suitable for situations in which uncertainties are involved in contract performance that do not permit costs to be estimated with sufficient accuracy to establish a fixed contract price. These types of contracts establish an estimated total cost for the purpose of obligating funds and establishing a ceiling that the contractor may not exceed (except at their own risk).

Required Contract Provisions

CDBG-DR Program Requirements. All contracts executed between the Subrecipient and a contractor must include the following CDBG-DR Program requirements:

- Performance requirements and penalties
- Project schedule including the performance period and completion date
- Subrecipients must ensure contracts do not contain any cost plus or incentive savings provisions. No contracts must refer to compensation adjustments for cost plus or incentive savings provisions
- All Section 3 covered contracts shall include the Section 3 clause; and other Federally Required Provisions. The Subrecipient's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

1. Remedies. Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

2. Termination for cause and for convenience22. All contracts in excess of $10,000 must address termination for cause and for convenience by the Subrecipient including the manner by which it will be affected and the basis for settlement.

3. Rights to Inventions Made Under a Contract or Agreement23. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the Subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the Subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

4. Debarment and Suspension (Executive Orders 12549 and 12689)24. A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

5. Records of non-Federal entities The U.S. Department of Housing and Urban Development (HUD), Inspectors General, the Comptroller General of the United States, the South Carolina Office of resilience (SCOR), and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents.

6. Record Retention. Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a Subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:
    a. If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken
    b. When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.
    c. Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition
    d. When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity
    e. Records for program income transactions after the period of performance. In some cases, Subrecipients must report program income after the period of performance. Where there is such

a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned

f. Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates)
g. If submitted for negotiation. If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission
h. If not submitted for negotiation. If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation

7. Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.
    a. The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible
    b. Affirmative steps must include:
        - Placing qualified small and minority businesses and women's business enterprises on solicitation lists
        - Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources
        - Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women’s business enterprise
        - Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises
        - Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business minority businesses, and women's business enterprises
        - Development Agency of the Department of Commerce; and vi. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section

8. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of ‘‘federally assisted construction contract’’ in 41 CFR Part 60–1.3 must include the equal opportunity clause provided under 41 CFR 60–1.4(b), in accordance with Executive Order 11246, ‘‘Equal Employment Opportunity’’ (30 FR 12319, 12935, 3 CFR Part, 1964–1965 Comp., p. 339), as amended by Executive Order 11375, ‘‘Amending Executive Order 11246 Relating to Equal Employment Opportunity,’’ and implementing regulations at 41 CFR part 60, ‘‘Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.’’

9. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148)28. When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or Subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

10. 10.Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708)29. Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

11. 11.Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended30. Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

12. 12.Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)31. *Contractors* that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

13. 13.Solid Waste Disposal Act32. A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Bonding Requirements

Subrecipients are encouraged to accept the bonding policy and requirements of the SCOR for construction and facility improvement contracts and subcontracts exceeding the simplified acquisition threshold. For contracts over $150,000, Subrecipients should require a bid guarantee from each bidder equivalent to five percent of the bid price consisting of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified:

- For contracts over $100,000, Subrecipients should require a performance bond on the part of the contractor for one hundred percent of the contract price as executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract

- Subrecipients should require a payment bond on the part of the contractor for one hundred percent of the contract price as executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract:
    - Municipalities: A payment bond is required if the contract exceeds $50,000
    - Counties: A payment bond is required if the contract exceeds $25,000

Workers' Compensation Requirements

Subrecipients that enter into a building or construction contract shall require the contractor to certify in writing that the contractor provides workers' compensation insurance coverage for each employee of the contractor employed on the public project. Each subcontractor on the public project shall provide such a certificate relating to coverage of the subcontractor's employees to the general contractor, who shall provide the subcontractor's certificate to the Subrecipient. Additionally, Subrecipients must include in bid specifications and contracts the specific language and provisions found in 28 TAC §110.110(c)(7). Subrecipients are responsible for compliance with all applicable statutory policies.

Changes to an Executed Contract

When changes to an executed contract are necessary which would result in a change to the Subrecipient Agreement, the Subrecipient should request an adjustment to both the Subrecipient Agreement and the Subrecipient contract.

When changes to an executed construction or contract are necessary, the Subrecipient must submit a Construction Change Order Form to SCOR prior to executing the change order. The SCOR must review all change orders to ensure costs are eligible and procured according to federal regulations as described in

Sections 5.10-5.11. The SCOR will notify the Subrecipient in writing upon review. The Change Order must meet the following requirements:

- Sufficient grant or local funds are available to meet any increased costs
- The original contract price has not been increased by more than 25% or decreased (without the consent of the contractor) by more than 25%
- All items listed on the Change Order were competitively procured through the original bid or the SCOR has approved an exception and
- All items listed on the Change Order are eligible and comply with the Subrecipient Agreement, including the Performance Statement, Implementation Schedule, Budget, and environmental review requirements

Equipment Purchases

Equipment purchased with CDBG-DR funds must be used by the Subrecipient in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by the CDBG-DR award.

When no longer needed for the original program or project*, the equipment may be used in other activities supported by the Federal awarding agency, in the following order of priority:

- 1st Priority - Activities under the CDBG-DR award which funded the original program or project; then
- 2nd Priority - Activities under Federal awards from other Federal awarding agencies. This includes consolidated equipment for information technology systems

** Subrecipients must consult their SCOR Grant Manager prior to utilizing the equipment for other purposes.*

When acquiring replacement equipment, Subrecipients should use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property.

Equipment Records. Subrecipients must maintain a property record that includes the following information:

- Description of property
- Serial or other identifying number
- Federal Award Identification Number (FAIN)- funding source of property
- Title holder
- Acquisition date
- Cost
- Location
- Use and condition of the property; and
- Disposition date and sales price, if applicable

A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years.

Disposition Requirements

Prior to disposing of any equipment purchased with CDBG-DR funds, Subrecipients must request disposition instructions from the SCOR. Items of equipment with a current per unit fair market value of $5,000 or less may be retained, sold, or otherwise disposed of with no further obligation to the SCOR. Items of equipment with a current per unit fair market value above $5,000 must be sold and the funds must be reimbursed to the SCOR as a Cost Reduction Change Order.

Recordkeeping

For each different type of service, a separate file must be created for documentation records. Subrecipients must maintain and make available all documentation utilized during the procurement process, including but not limited to:

- Policies and procedures for procurement
- Copies of all Invitation for Bids ("IFB") and RFP/Qs published and mailed
  - Proof of advertisement, if applicable
  - Proof that an adequate number of firms/individuals were directly contacted for proposals (e.g., copies of sent emails, certified mail receipts, and/or fax confirmations)
- Copies of bidding and/or proposal packages
- Bid and proposal responses
- Records of bid and proposal evaluation evidencing method of selection used
- Evidence of cost and price analysis, if applicable
- Verification that the vendor is not on the SAM.gov debarred list
- Other procurement correspondence
- Minutes of award or hiring resolution
- Executed contract including all required contract provisions
- Record of equipment purchases, if applicable; and
- Disposition/sales procedures for equipment purchased with CDBG-DR funds

PERSONAL IDENTIFIABLE INFORMATION (PII)

SCOR's CDBG-DR funded Mitigation program will follow SCOR's policies on handling and securing PII. The Mitigation program will maintain office and operational security at all times during its day-to-day operations and interactions with the public. This policy includes physical, information and cyber security. All SCOR, any contractors and any sub-contractors will adhere to all elements of SCOR's policies related to PII.

3.10 ENVIRONMENTAL CRITERIA AND STANDARDS

All CDBG-DR Mitigation funded projects must complete an environmental review in accordance with 24 CFR Part 58 to ensure that the proposed project is compliant with the National Environmental Policy Act (NEPA) and related environmental and executive orders. Accordingly, environmental review activities will be carried out for each funded Program activity to ensure the activity does not negatively impact the property or surrounding social, cultural, and physical environment including historic resources. The HUD regulations in 24 CFR Part 58, Subpart B allows grantees to assume environmental review responsibilities. SCOR assumes the role of the Responsible Entity (RE), as outlined in the federal regulations, to undertake compliance effort for the Program. SCOR, or its identified Subrecipients, will be responsible for performing all required environmental reviews for CDBG-DR funded projects as applicable.

A key factor in performing an environmental review is the process to consider the ultimate effect/end result of a proposed project. For example, if CDBG-DR funds are being used to acquire a site for a new construction project, the ultimate effect/results of the project are not solely the acquisition of the site, but also the construction of the project, including infrastructure. Therefore, the environmental review must address the impacts of both the CDBG-DR funded land acquisition and any new construction/additions of the project. The environmental review must address the impacts to the actual project site and the surrounding area.

ENVIRONMENTAL LAWS AND REGULATIONS

Environmental reviews must address all compliance factor mandates for the level of review the project scope requires. The following provisions of law authorize state governments to assume HUD's environmental review responsibilities. SCOR or identified Subrecipients will act for HUD for environmental reviews, decision-making, and action that would otherwise apply to HUD under NEPA (National Environmental Policy Act) and other provisions of laws that further NEPA, as specified in 24 CFR Part 58. These regulations are referenced in 24 CFR Part 58.1(b).

The foremost environmental law is NEPA and implementing Executive Order 11514 (35 CFR 4247, 3 CFR, 1966-1970 Comp., p. 902) as amended by Executive Order 11991. At the time of publication, the NEPA implementing regulations (40 CFR parts 1500-1508) have been removed by the Council on Environmental Quality, effective April 11, 2025. This section will be updated to incorporate any NEPA guidance and/or rulemaking developed by the Council on Environmental Quality at a later date. This is not an all-inclusive list as projects can cross over into other laws and authorities not listed here.

NEPA

According to 42 USC § 4321, the purposes of NEPA are: To declare a national policy which will encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man; to enrich the understanding of the ecological systems and natural resources important to the Nation; and to establish a Council on Environmental Quality.

Executive Order 11514 & 11991: Protection and Enhancement of Environmental Quality

Executive Order clarifying the role of the CEQ and identifying the role of Federal agencies in implementing and enforcing NEPA.
https://www.archives.gov/federalregister/codification/executive-order/11514.html

Historic Preservation Requirements

NEPA requires review of the impact of project activities on cultural resources including historic properties as defined under Section 106 of the National Historic Preservation Act (NHPA) and its implementing regulations at 36 CFR 800, as well as the Archaeological and Historic Data Preservation Act of 1974 (54 USC 312501-312508), and Executive Order 11593, Protection and Enhancement of the Cultural Environment. Section 106 of the National Historic Preservation Act (NHPA), and the implementing regulations at 36 CFR 800, requires the South Carolina State Historic Preservation Office (SHPO) to review all projects/undertakings that are federally funded, licensed, permitted, or assisted.

Construction activities will be closely coordinated by SCOR, or its Subrecipient, with the applicant and the South Carolina State Historic Preservation Office (SHPO). SCOR will sign the HUD SC FEMA Programmatic Agreement

("PA") regarding National Historic Preservation Act Section 106 Compliance or execute the PA between the region IV of the U.S. Department of Housing and Urban Development (HUD) and the SC SHPO for the review of HUD-Funded activities. The PA provides for a more efficient means of compliance with Section 106 requirements. The costs associated with historic property mitigation are eligible costs up to the maximum benefit.

24 CFR Part 51: Environmental Criteria and Standards

Description: This regulation provides environmental standards for determining project acceptability and necessary measures to ensure activities assisted by HUD achieve the goal of a suitable living environment. The environmental criteria include noise abatement and control and the siting of HUD-assisted projects near hazardous operations including explosives, flammables, runway clear zones at civil airports, and accident potential zones at military airfields.

24 CFR Part 55: Floodplain Management and Protection of Wetlands

Description: HUD regulations to implement Executive Order 11988 related to development in floodplains. See HUD Exchange for more information and publication requirements. Completing the required 8-step process for projects located in a floodplain or wetlands will add a minimum of fifteen (15) days to the environmental review process. Note: Although Part 55 does not contain elevation requirements for non-critical actions, projects involving new construction and substantial improvements (as defined in 55.2(b)(10)) must be elevated or, for nonresidential structures, floodproofed to the base flood elevation of the floodplain in order to get flood insurance from FEMA.

If the project involves new construction or substantial improvement (as defined in 24 CFR 55.2(b)(10), NFIP regulations require that the affected structure(s) be elevated to the base flood elevation. State or local law or program policy may require additional elevation (or "freeboard") beyond the minimum elevation requirements set by FEMA.

24 CFR Part 55.12(c): Regulatory Floodway and Coastal High Hazard Areas

HUD specifically prohibits construction of CDBG funded projects in the regulatory floodway. The only exceptions are:

- The infrastructure is installed below the floodway using directional drilling below ground level (any potential erosion issues will be addressed in the 8-step process)
- The infrastructure is elevated above the floodway and installed above the base flood level, such as pipelines mounted to existing bridges above the base flood mark
- No housing or other structures "not functionally dependent" on the waterway will be funded if located within the floodway itself

HUD prohibits certain construction of CDBG funded projects in Coastal High Hazard Areas or V Zones. These are areas along the coast subject to inundation by the 1% annual chance flood event with additional hazards associated with storm or tidal induced waves. Because of the increased risks associated with V Zones, Part 55 prohibits critical actions and new construction in these areas unless an exception in section 55.12(c) applies or the project is a functionally dependent use and otherwise requires the action to be designed for location in a Coastal High Hazard Area.

24 CFR Part 58: Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities

Description: The procedures outlined in this regulation are used by entities that assume HUD's environmental review responsibilities in determining program compliance with the intent of the NEPA and other related statutes. Applicable HUD programs under this regulation include only those in which a specific statute allows governing entities to assume the Federal responsibility.

Environmental Review Process

Once a project has been approved by the SCOR Chief Resilience Officer for CDBG-DR Mitigation funding, SCOR or its Subrecipients, will determine the level of environmental review required for each awarded project.

For State run projects, SCOR will solicit proposals from qualified professional firms to complete the environmental review and all public notification requirements. SCOR will review the completed report for compliance with HUD/NEPA requirements. Upon completion of the environmental review and required public notices, SCOR will submit the Request for Release of Funds (HUD form 7015.15) to HUD. Following receipt of the RROF, HUD will hold a public comment period before approving the use of HUD assistance through the Authority to Use Grant Funds (AUGF) (HUD form 7015.16).

For Subrecipient run projects, the subrecipient must evaluate whether they have staff with the appropriate expertise to complete the environmental review or whether they need to procure professional services. All procurement must follow State of South Carolina procurement requirements (See [Procurement] section of this manual). The subrecipient, or its contractor, will complete the required level of environmental review and submit the following to SCOR for review:

- A completed environmental report per HUD regulations
- Proof of all required notices and publications
- A copy of all comments received, and all responses issued. If no comments were received during the public comment period, provide a written statement certifying such

SCOR, assuming the role of the responsible entity, will review the submitted environmental review package for completion and compliance. Upon satisfactory completion, SCOR will submit the Request for Release of Funds (HUD form 7015.15) to HUD. Following receipt of the RROF, HUD will hold a public comment period before approving the use of HUD assistance through the Authority to Use Grant Funds (AUGF) (HUD form 7015.16). Once SCOR has received the AUGF from HUD, SCOR will notify grantees and/or contractors that choice-limiting actions on the project may commence.

SCOR, and its Subrecipients, are responsible for fully completing the required environmental reviews and working in good faith with the State or HUD where additional documentation may be necessary to resolve any outstanding environmental/historic preservation compliance factors. SCOR will monitor the environmental review implementation and audit the Environmental Review Record (ERR). SCOR and its Subrecipients must retain complete ERRs to be available for monitoring and compliance by SCOR and/or HUD. SCOR Subrecipients must provide SCOR access to project ERRs.

NEPA/Section 106 Review Procedures

SCOR, its Subrecipients, or consultants, will utilize the guidance provided in the CEQ and Advisory Council on Historic Preservation (ACHP) NEPA and NHPA: A Handbook for Integrating NEPA and Section 106 to integrate NEPA analysis and documentation with Section 106 review. The handbook provides practical advice and tips on how to align the independent statutory obligations of NEPA and Section 106 review for efficient and effective environmental review.

During the environmental review process, SCOR, its Subrecipients, or consultants will determine whether a property, or properties within the area of potential effect (APE), are listed in the National Register of Historic Places (NRHP) or located within a National Register Historic District (NRHD). As necessary, a Secretary of the Interior (SOI) Professional Qualified person (per 36 CFR Part 61) will draft a Determination of Eligibility (DOE) and send it SHPO for eligibility concurrence.

A Section 106 Project Review Form will be completed, along with all required supporting documentation, and submitted to the SHPO for review and approval. Consultation with appropriate Native American tribes or other participants who are entitled to comment on the Section 106 process (per 36 CFR 800.2). An assessment of project effect will be made. Mitigation measures may need incorporating to avoid or reduce adverse effects to the historic property, including historic districts.

For State run project activities that are included in the existing Programmatic Agreement, SCOR will submit a written request to the SHPO to seek concurrence that the proposed work is covered by the PA and does not require Section 106 consultation. Documentation of SHPO/Tribal consultation for NEPA and Section 106 must be provided in the Environmental Review Record prior to submitting a RROF to HUD.

Timing the Environmental Review with Project Activity

HUD regulations at 24 CFR 58.22 prohibit grant recipients and their partners from committing or spending HUD or non-HUD funds on any activity that could have an adverse environmental impact or limit the choice of reasonable alternatives prior to completion of an environment review once a project has become "federal." This prohibition on "choice-limiting actions" prohibits physical activity, including acquisition, rehabilitation, and construction, as well as contracting for or committing to any of these actions. The environmental review must be completed prior to any commitment of CDBG-DR funds. The environmental review is considered complete once HUD has issued an Authorization to Use Grant Funds (AUGF) for the project.

Any money spent on choice-limiting actions prior to the completion of the environmental review will not be reimbursed with CDBG-DR funds. Additionally, undertaking choice-limiting actions prior to the completion of the environmental review may result in a Finding of Significant Impact and could result in a project that is ineligible for CDBG-DR funding. If an applicant has taken a choice-limiting action on an approved project prior to HUD issuance of AUGF, the applicant must contact the SCOR Mitigation Program Manager immediately for guidance.

Type of Environmental Review

Once the scope of the mitigation project has been defined the appropriate level of environmental review can be determined. The HUD Environmental Review Procedures are outlined in 24 CFR Part 58 and other compliance requirements are outlined in their Environmental Criteria and Standards at 24 CFR Part 51.

Tiered Reviews

For mitigation projects that do not have specific properties identified prior to the release of funding, HUD's Procedures as outlined in 24 CFR Part 58 allow for a tiered approach by conducting a broad-scale environmental review to eliminate some unnecessary and repetitive review at the site-specific level. A site-specific environmental review strategy is also developed at this stage to implement when specific locations are identified. It is anticipated that SCOR Mitigation Buyout Program projects may qualify for a tiered review. SCOR, or its subrecipient, will complete the Tier I environmental review and submit to HUD in accordance with the

HUD Environmental Review Procedures as outlined in 24 CFR Part 58 and other compliance requirements as outlined in the HUD Environmental Criteria and Standards at 24 CFR Part 51. The Tier I must be issued AUGF from HUD before any site-specific activities or funding is approved to proceed. The Tier I Review will:

- Identify and evaluate the issues that can be fully addressed and resolved, notwithstanding possible limited knowledge of the project.
- Establish the standards, constraints, and processes to be followed in the site-specific Tier II reviews.

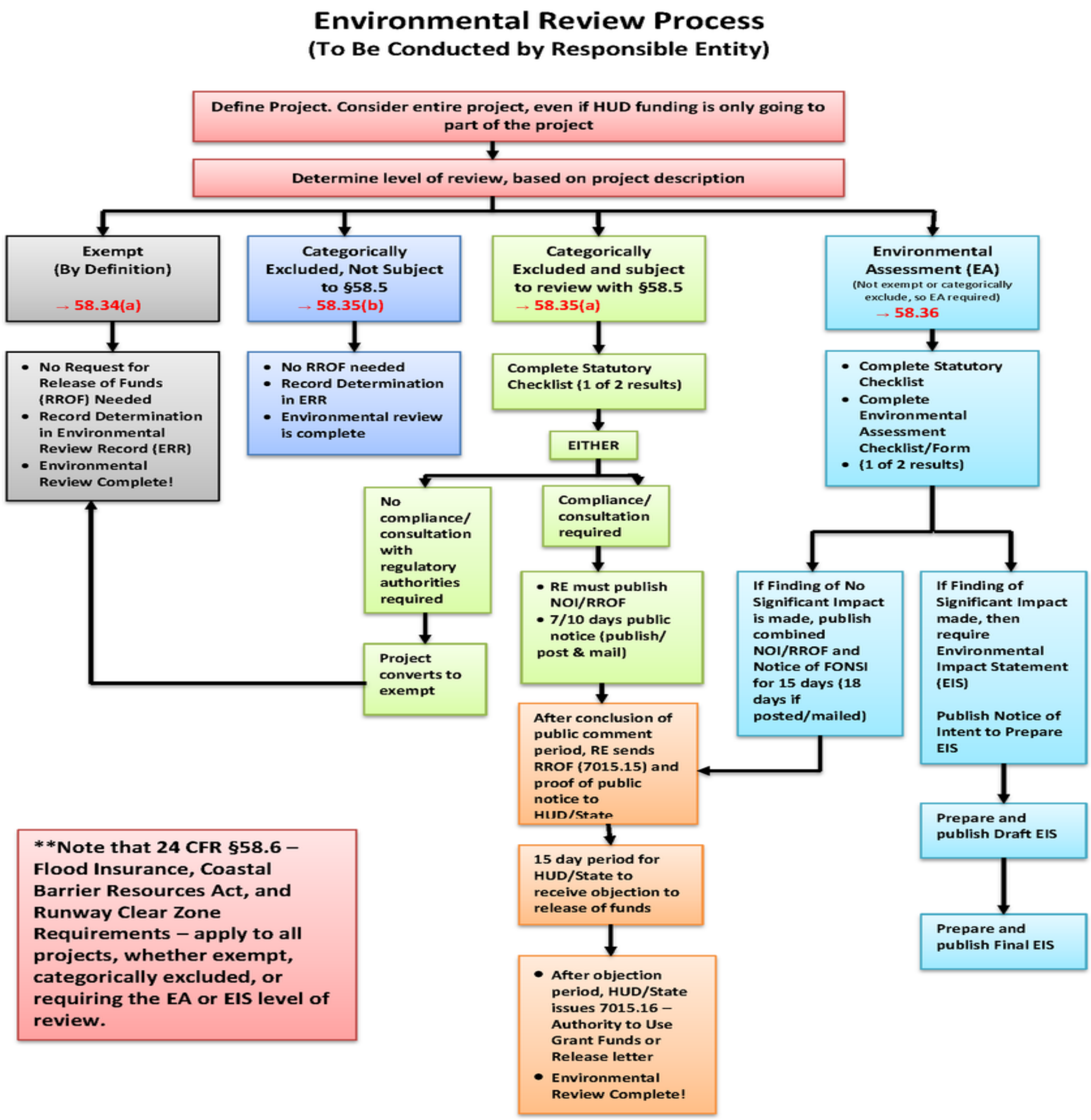
Where a tiered environmental review approach is used for the buyout program, a Tier II review will be initiated once it has been determined that the subject property and the property owner(s) are deemed eligible for the program. The Tier II reviews will be achieved through application review desktop research, direct field observation during the initial construction inspection, and agency coordination/consultation, as necessary. Reviews will be documented through the Environmental Review Records. Any resultant implementation conditions resulting from the environmental review will become part of the project contracts and/or agreements. The Tier II Review will:

- Evaluate the remaining issues based on the policies established in the broad-level Tier I review as individual sites are selected for review.
- Complete the Site-Specific Checklist

The Tier I must be completed with an authorization to use grant funds issued by HUD, and the Tier II must be completed and approved by the Responsible Entity Agency (SCOR), prior to SCOR, or its Subrecipient, issuing a written Offer to Purchase for a property.

Other Environmental Review Types

Projects for which the specific site(s) is identified must assess the project scope to determine which of the five environmental review types is appropriate. The HUD-issued chart below outlines the five environmental review types and the requirements of each:



Exempt Activities

Project activities that are exempt as defined in 24 CFR Part 58.34(a), do not have to submit an RROF and Certification, and no further approval from HUD or the State is required for the drawdown of funds to carry out exempt activities.

It is not anticipated that CDBG-DR funded mitigation project activities will meet the criteria for exempt activities. If project activities are determined to be exempt, the responsible entity must document its determination that each activity or project is exempt and meets the conditions specified for such exemption under this section. For all exempt projects the receive CDBG-DR Funds, SCOR or its grantee will complete environmental review documentation through the HUD Environmental Review Online System (HEROS). The completed review will be submitted to SCOR for review and approval by the Environmental Certifying Officer prior to commencement of project activities.

Categorically Excluded from NEPA, (CENST)

Project Activities that are categorically excluded from NEPA, not subject to the related laws and authorities at 24 CFR 58.5 and 50.4, are defined in 24 CFR Part 58.34(b). For these activities, no environmental impact statement or environmental assessment and finding of no significant impact (FONSI) under NEPA is required, except in extraordinary circumstances (see §58.2(a)(3)). For project activities that are categorically excluded as defined in 24 CFR Part 58.34(b), the responsible entity does not have to publish a NOI/RROF or execute a certification and the recipient does not have to submit a RROF to HUD (or the State) except in the circumstances as described in 24 CFR Part 58.34(c).

However, the responsible entity remains responsible for carrying out any applicable requirements under 24 CFR 58.6 and must document its determination that each activity or project is categorically exempt and meets the conditions specified for such exemption under this section. For all categorically exempt projects the receive CDBG-DR Funds, SCOR, or its Subrecipient, will complete environmental review documentation through the HUD Environmental Review Online System (HEROS). The completed review will be submitted to SCOR for review and approval by the Environmental Certifying Officer prior to commencement of project activities. The Environmental Review Record (ERR) must contain a well-organized written record of the process and determination made under this section.

Categorically excluded from NEPA, but subject to the related laws and authorities at 58.5 or 50.4 (CEST)

Project activities that are categorically excluded from NEPA but subject to 24 CFR 58.5 and 50.4 must complete the statutory checklist to determine if further compliance/consultation is required. Applies to activities listed at 24 CFR 58.35(a).

SCOR, or its Subrecipient, is responsible for documenting its determination that each activity or project is categorically exempt and meets the conditions specified for such exemption under this section. For all categorically exempt projects that receive CDBG-DR Funds, SCOR, or its Subrecipient, will complete environmental review documentation through the HUD Environmental Review Online System (HEROS). The completed review will be submitted to SCOR for review and approval by the Environmental Certifying Officer prior to commencement of project activities.

Environmental Assessment (EA)

All project activities that are not covered under a categorical exclusion or exemption must complete an Environmental Assessment. In addition to compliance with the laws and authorities at 24 CFR 50.4 or 24 CFR 58.6 and 58.5 (also known as the Statutory Checklist), environmental assessments must consider an array of additional potential impacts of the project. This resource lists the additional environmental assessment factors and National Environmental Policy Act (NEPA) analysis that would be required of an environmental assessment for HUD-assisted projects. It is expected that CDBG-DR funded Infrastructure projects and CDBG-DR funded buyouts that cannot use the Tiered Review process will require an Environmental Assessment level review.

SCOR or its Subrecipient, will complete the Environmental Assessment through the HUD Environmental Review Online System (HEROS). The completed review will be submitted to SCOR for review and approval by the Environmental Certifying Officer prior to commencement of project activities.

Environmental Impact Statement (EIS)

An Environmental Impact Statement (EIS) is a detailed written statement required by section 102(2)(C) of NEPA for a proposed major Federal action significantly affecting the quality of the human environment. An EIS is required in circumstances as defined in 24 CFR 58.37 or 24 CFR 50.42.

It is not anticipated that any SCOR CDBG-DR Mitigation funded projects will require an EIS review. If it is determined that an awarded project requires an EIS, SCOR, or its Subrecipients, must use the current HUD recommended draft environmental impact statement (DEIS) or final environmental impact statement (FEIS) format, or its equivalent in accordance with 24 CFR 58.60.

Asbestos and Lead-Based Paint Testing

Asbestos Containing Materials (ACM)

SCOR, its Subrecipients, its contractors and sub-contractors will familiarize themselves with SC DES Regulation 61-68.1 regarding Standards of Performance for Asbestos Projects and provide notice to SC DES and secure all required proper permitting.

The EPA National Emissions Standards for Hazardous Air Pollutants (NESHAP) identifies air toxics regulations under the Clean Air Act which specify work practices for asbestos to be followed during demolitions and renovations of all facilities, including, but not limited to, structures, installations, and buildings (excluding residential buildings that have four or fewer dwelling units). The regulations require a thorough inspection where the demolition or renovation operation will occur. Performing the work in accordance with the Asbestos NESHAP helps to ensure that areas in use during the renovation are not contaminated and that the area under renovation, when it is complete, is also free of contamination.

An ACM assessment will be conducted, if needed, by a certified ACM assessor. Mitigation buyout projects include demolition of the existing structures and therefore, must follow the ACM policies and procedures as described in this manual. When an ACM assessment is needed, the following will take place:

- The ACM assessor will be notified of houses qualifying for an assessment by the agency or contractor completing the environmental review.
- The ACM assessor will prepare an assessment report and provide the completed reports to the agency or contractor completing the environmental review. The ACM assessment reports will be included in the environmental review report and will be uploaded into the ERR and System of Record.
- The report will include at a minimum:
  a. Delineation of existing ACM areas within the building
  b. List of requirements for ACM remediation as required by EPA and SC DES regulations, and any other required sections based on HUD, EPA regulations; and
  c. In the cases where ACM is found and remediation is required; the demolition contractor will retain an ACM remediation contractor to prepare an estimate of the remediation. This estimate will be included in the demolition contractors estimate provided to SCOR, or its Subrecipients.
  d. Upon approval of demolition contract, the ACM assessor will make interim and/or final inspections and prepare a clearance report at the end of the demolition construction project.

For each buyout project, ACM is to be disposed of in accordance with applicable EPA, and any other applicable regulations unless an ACM inspection and testing have been performed to show the building does not contain ACM.

Prior to the demolition of any regulated facility, written notification must be submitted to SC DES no less than 10 working days in advance, even if an inspector determines that asbestos is not present at the facility. The DES Notification of Demolition Form (D-3428) must include certain required items of information about the owner, the contractor, the facility, and the demolition project. Required fees and a copy of the inspection report must be submitted along with notification of demolition. The demolition contractor, or its subcontractor, must obtain from SC DES prior to the demolition activity. This notification is in addition to any other demolition permits that may be issued by other local municipalities or county offices.

The demolition of private residences containing four or fewer units is exempt from the demolition notification requirements unless certain conditions apply including demolition that involves multiple private residences within a compact area under ownership and/or control of a single owner and/or operator. It is expected that Mitigation Buyout projects will not qualify for residential exemption and must following the demolition notification process with SC DES for removal of ACM.

Copies of all ACM assessment estimates, ACM assessment reports, ACM remediation estimates, and ACM remediation must be kept in the system of record.

Lead-Based Paint (LBP)

For houses built before 1978 (when EPA banned LBP) that are to be demolished as part of a housing buyout program, demolition contractors must properly demolish and dispose of construction debris. Where necessary, an LBP assessment will be conducted by a licensed LBP assessor. This assessment will most often occur in conjunction with an ACM assessment during the environmental review process.

The LBP assessor will be notified of houses qualifying for an assessment by SCOR, its Subrecipient, or its consultant. The LBP assessor will prepare an assessment report to be included in the environmental report and uploaded to the ERR and System of Record.

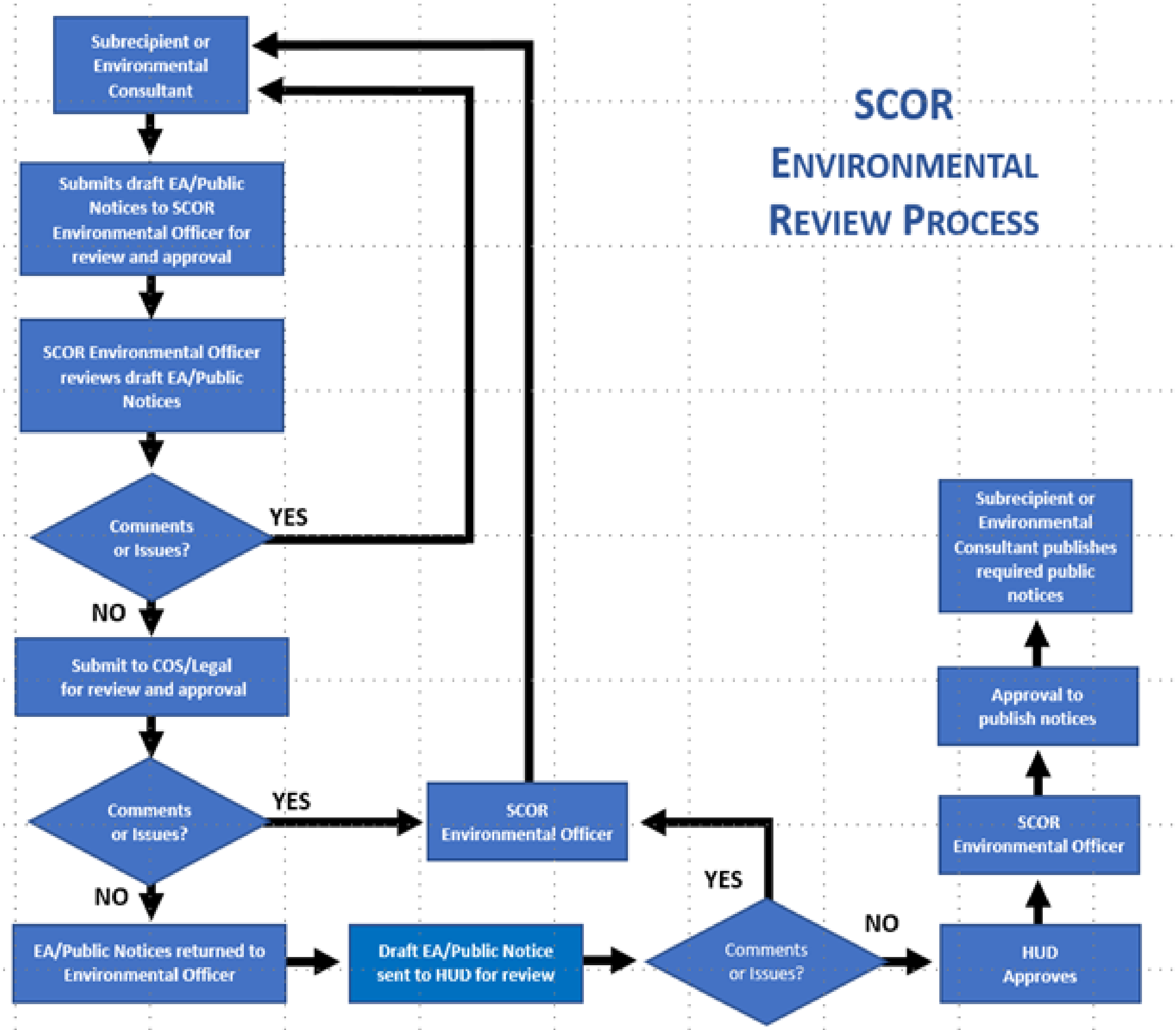
The LBP assessment report will include at a minimum:

- Delineation of existing lead-based paint areas within the structure
- List of Requirements for disposal of lead-based paint as required by HUD, EPA, and the SC DES regulations; and
- Any other required section based on HUD, EPA, and SC DES regulations.

For houses built before 1978 that will be demolished as part of the buyout program, if lead-based paint is present, it shall be disposed of in accordance with all applicable HUD, EPA and SC DES and any other applicable regulations. For houses that were built in or after 1978, when EPA banned LBP, it is assumed that lead is not present.

SCOR Internal Environmental Review Process

SCOR will use an internal process for reviewing Environmental paperwork prior to being published for public comment. Reviews of Environmental paperwork will be completed by the Environmental Program Manager and the SCOR Environmental Certifying Officer, Chief of Staff and Legal section. When feasible, SCOR will send HUD a preview for comment prior to actual publication to avoid the possibility of republishing.



Annex 1
Cost Reasonableness Memorandum Format

SCOR
South Carolina
Office of Resilience

HENRY D. MCMASTER, *Governor*
BENJAMIN I. DUNCAN II, *Chief Resilience Officer*

VERIFICATION OF COST REASONABLENESS

For CDBG-Mitigation Project # **PP-XX-XXXX-XX**

[Insert Date]

The South Carolina Office of Resilience (SCOR), in accordance with the Housing and Urban Development guidelines and the South Carolina Office of Resilience Mitigation Action Plan, adheres to cost reasonableness standards when determining price per project. This is done to ensure costs are reasonable and consistent with market costs. All program expenditures are evaluated to ensure they are necessary and reasonable, allocable according to the CDBG contract, authorized or not prohibited under State/local laws and regulations, conform to limitations or exclusions (laws, terms, conditions of award, etc.), consistent with policies, regulations, and procedures, in accordance with appropriate professional accounting standards, adequately documented, and treated consistently (with non-CDBG costs).

SCOR utilizes a 2-part pricing methodology to ensure conformity with cost reasonableness guidelines. Part 1 examines industry standards by identifying similar, relevant studies and calculating an adjusted price based on proportional mathematics. The resulting data offers a range with which the new price should sit. Part 2 guides price by multiplying a pre-determined base-price with 2-3 variables, contingent upon applicant-type. The variables used are complexity, scope, and number of focus areas. These variables are weighted differently in different scenarios to obtain the most accurate price.

By the execution of this notice, SCOR acknowledges and confirms that all information set forth is true and correct.

____
Funds Match, Plans & Studies Coordinator
Mitigation Department

South Carolina Office of Resilience
632 Rosewood Drive, Columbia, SC 29201

P: 803-896-4215
F: 803-771-2887
www.scor.sc.gov

Annex 2
Debarment Verification Memorandum Format

HENRY D. MCMASTER, *Governor*
BENJAMIN I. DUNCAN II, *Chief Resilience Officer*

VERIFICATION OF STATE AND FEDERAL ELIGIBILITY TO RECEIVE CONTRACTS

For CDBG-Mitigation Project # **PP-XX-XXXX-XX**

[Date]

South Carolina's Division of Procurement Services and the System for Award Management (SAM), have information regarding entities debarred, suspended, proposed for debarment, excluded or disqualified under the non-procurement common rule, or otherwise declared ineligible from receiving Federal contracts, State contracts, certain subcontracts, and certain Federal assistance and benefits.

South Carolina's Office of Resilience (SCOR) carries out its due diligence by conducting debarment research and verifying the eligibility of contracted firms using the aforementioned databases. The firm(s) listed below has been reviewed and cleared:

Firm Name:

DUNs Number:

By the execution of this notice, SCOR acknowledges and confirms that all information set forth is true and correct.

[Insert Signature of Program Coordinator],
South Carolina Office of Resilience

South Carolina Office of Resilience
632 Rosewood Drive, Columbia, SC 29201
P: 803-896-4215
F: 803-771-2887
www.scor.sc.gov

Annex 3
Claim for Rental Assistance or Down Payment Assistance (HUD 40058)

Claim for Rental Assistance or Down Payment Assistance (49 CFR 24.402 and 24.401(f))
See page 3 for Public Reporting Burden and Privacy Act Statements before completing this form

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB Approval No. 2506-0016 (exp. 12/31/2024)

(Form has been revised. See last page.)

For Agency Use Only Name of Agency	Project Name or Number	Case Number

Instructions: This claim form is for the use of families and individuals applying for rental or down payment assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and may also be used by a 90-day homeowner-occupant who chooses to rent rather than buy a replacement home. The Agency will help you complete the form. HUD also provides information on these requirements and other guidance materials on its website at www.hud.gov/relocation. If the full amount of your claim is not approved, the Agency will provide you with a written explanation of the reason. If you are not satisfied with the Agency's determination, you may appeal that determination. The Agency will explain how to make an appeal.
Displaced persons must rent/purchase and occupy a decent, safe and sanitary replacement dwelling within one year from the date of displacement for replacement housing payment eligibility (see 24.402(a)(2)). All claims for payments must be filed no later than 18 months from the date of displacement (see 24.207(d)).

1a. Your Name(s) (You are the Claimant(s)) and Present Mailing Address	1b. Telephone Number(s)

2a. Have all members of the household moved to the same dwelling? ☐ Yes ☐ No (If "No", list the names of all members and the addresses to which they moved in the Remarks Section.)	2b. Do you (or will you) receive a Federal, State, or local housing program subsidy at the dwelling you moved to? ☐ Yes ☐ No

Dwelling	Address	When Did You Rent/Buy This Unit?	When Did You Move To This Unit?	When Did You Move Out of This Unit?
3. Unit That You Moved From				
4. Unit That You Moved To				

5. Certification of Legal Residency in the United States (Please read instructions below before completing this section.)
Instructions: To qualify for relocation advisory services or relocation payments authorized by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, a "displaced person" must be a United States citizen or national, or an alien lawfully present in the United States. **The certification below must be completed in order to receive any relocation benefits.** (This certification may not have any standing with regard to applicable State laws providing relocation benefits.) **Your signature on this claim form constitutes certification.** See 49 CFR 24.208(g) & (h) for hardship exceptions.

Please address only the category (individual or family) that describes your occupancy status. For item (2), please fill in the correct number of persons.

RESIDENTIAL HOUSEHOLDS

(1) Individual.
I certify that I am: (check one)
_____ a citizen or national of the United States
_____ an alien lawfully present in the United States.

(2) Family.
I certify that there are _____ persons in my household and that _____ are citizens or nationals of the United States and _____ are aliens lawfully present in the United States.

6. Determination of Person's Financial Means (Not applicable to 90-day homeowner-occupants who choose to rent. Enter NA in Item 6(5).)		Household Income Claimant (a)	Household Income For Agency Use Only (b)
(1) Total number of persons in the household (See Item 5(1) or (2))			
(2) Annual Gross Household Income. (49 CFR 24.2(a)(14)). Enter name of each household member with income (include the income of persons not lawfully present in the U.S.)		$	$
(3) Total Gross Annual Income (Sum of entries in Item 6(2))		$	$
(4) URA low income limit for number of persons in Item 6(1). If Item 6(3) is greater than Item 6(4) - Family is not low-income. See 49 CFR 24.402 (b)(2)(ii)			$
(5) Gross Monthly Income (Divide Item 6(3) by 12)		$	$

(6) 30% of Item 6(5) or "NA". (If gross annual income Item 6(3) is greater than URA low income limit in Item 6(4), enter "NA".)	$	$

7. Determination of Rent and Average Monthly Utility Costs (See 49 CFR 24.402(b))

Instructions: To compute the payment, entries on line (8) must reflect all utility services. Therefore, identify on lines (2) through (5) each utility necessary to provide electricity, gas, other heating/cooking fuels, water and sewer. In those cases where the utility service is not covered by the monthly rent, indicate the estimated out-of-pocket monthly cost. In those cases where the utility service is covered by the monthly rent, enter "IMR" (In Monthly Rent). Determine the estimated average monthly cost of a utility service by dividing the reasonable estimated yearly cost by 12. If a monthly housing program subsidy (e.g., Housing Choice Voucher/Section 8, other) has been provided, enter the applicable amount on line (7).

Monthly Cost	Unit That You Moved From (For Homeowner-Occupant, rent will be determined by the agency.)		Unit That You Moved To (Do not complete if claim is for down payment assistance.)		Comparable Replacement Dwelling
	(a) Claimant	**(b) For Agency Use Only**	(c) Claimant	**(d) For Agency Use Only**	**(e) To Be Provided By Agency**
(1) Rent (The monthly rental amount due under the terms and conditions of occupancy. If utilities are not included in rent, list in item 7(2) to (5))	$	$	$	$	$
(2)					
(3)					
(4)					
(5)					
(6) Gross Monthly Rent and Utility Costs (add item 7(1) through (5))	$	$	$	$	$
(7) Monthly Housing Subsidy, if applicable (e.g., Housing Choice Voucher/Section 8, other)	$	$	$	$	$
(8) Net Monthly Rent and Utility Costs (subtract item 7(7) from item 7(6)) (Enter these amounts on the appropriate lines in item 8.)	$	$	$	$	$

8. Computation of Payment: If you are filing for down payment assistance, check this box ☐ and skip item 8(1).	To Be Completed By Claimant (a)	**For Agency Use Only (b)**
(1) Monthly Rent and Average Monthly Utility Costs for Unit That You Moved To (From item 7(8), Column (c))	$	$
(2) Monthly Rent and Average Monthly Utility Costs for Comparable Replacement Dwelling (From item 7(8), Column (e)) (To be provided by the Agency)		
(3) Lesser of item 8(1) or (2) (If claim is for down payment assistance, enter amount from item 8(2))		
(4) Monthly Rent and Average Monthly Utility Costs for Unit That You Moved From (From item 7(8), Column (a)) (For Homeowner-Occupants who choose to rent, to be determined by the agency.)		
(5) 30% of Average Gross Monthly Household Income (From item 6(6), Column (a)). If item 6(6) is "NA", enter "NA" here.		
(6) Lesser of item 8(4) or 8(5)		
(7) Monthly Need (Subtract item 8(6) from item 8(3))		
(8) Amount of Payment Claim (Amount on item 8(7) multiplied by 42) (For a Homeowner-Occupant who elects to rent, this amount cannot exceed the difference between the aquisition cost of the displacement dwelling and the cost of a comparable replacement dwelling. See form HUD-40057, item 5(5).)	$	$
(9) Amount Previously Received (if any)		
(10) Amount Requested (Subtract item 8(9) from 8(8))	$	$

9. Certification By Claimant(s): I certify that the information on this claim form and supporting documentation is true and complete and that I have not been paid for these expenses by any other source.

Signature(s) of Claimant(s) & Date

X

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

To be Completed by the Agency	10. Effective date (mm/dd/yyyy) of eligibility for relocation assistance	11. Date (mm/dd/yyyy) replacement dwelling inspected and found decent, safe and sanitary	12. Date(mm/dd/yyyy) person occupied replacement dwelling

13. Payment To Be Made in: Lump Sum (only for down payment assistance) ☐ Monthly Installments ☐ Other Installments ☐ (specify in the Remarks Section)

Payment Action	Amount of Payment	Signature	Name (Type or Print)	Date (mm/dd/yyyy)
14. Recommended	$			
15. Approved	$			

Remarks

Remarks continued on a separate page? Yes No

(NOTE: Updated to incorporate MAP-21 statutory changes to the URA effective on 10/01/2014. Please note the current URA regulations of 49 CFR part 24 will be revised in a future URA rule making to reflect MAP-21 changes. For additional information on MAP-21 changes to the URA for HUD programs and projects, refer to HUD Notice CPD-14-09 at the following website: http://portal.hud.gov/hudportal/documents/huddoc?id=14-09pdn.pdf.)

Annex 4
Claim for Residential Move and Related Expenses (HUD 40054)

Residential Claim for Moving and Related Expenses
(49 CFR 24.301 and 24.302)
See page 3 for Public Reporting Burden and Privacy Act Statements before completing this form

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

OMB Approval No. 2506-0016 (exp. 12/31/2024)

For Agency Use Only — Name of Agency	Project Name or Number	Case Number

Instructions: This claim form is for the use of families and individuals applying for payment of residential moving and related expenses under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). You may be eligible to apply for either (1) a fixed payment (see 24.302), or (2) payment for actual reasonable moving costs and related expenses (see 24.301), or (3) in some cases, a payment based on a combination of moving options (contact Agency). All claims for actual expenses must be supported by receipts or other acceptable evidence. The Agency will explain the differences between the types of moving options and will help you complete this form. HUD provides information on these requirements and other guidance materials on its website at www.hud.gov/relocation. If the full amount of your claim is not approved, the Agency will provide you with a written explanation of the reason. If you are not satisfied with the Agency's determination, you may appeal that determination. The Agency will explain how to make an appeal. All claims for payments must be filed no later than 18 months from the date of displacement (see 24.207(d)).

1. Your Name(s) (You are the Claimant(s)) and Present Mailing Address	1a. Telephone Number(s)

2. Have All Members of the Household Moved to the Same Dwelling? ☐ Yes ☐ No
(If "No," list the names of all members and the addresses to which they moved in the Remarks Section.)

Dwelling	Address (Include Apartment No.)	Number of Rooms of Furniture? *	Date Occupied	Date Vacated
3. Unit That You Moved From				
4. Unit That You Moved To		* Excluding bathrooms, hallways and closets.		

5. Is This a Final Claim? ☐ Yes ☐ No

6. Certification of Legal Residency in the United States (Please read instructions below before completing this section.)

Instructions: To qualify for relocation advisory services or relocation payments authorized by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, a "displaced person" must be a United States citizen or national, or an alien lawfully present in the United States. **The certification below must be completed in order to receive any relocation benefits.** (This certification may not have any standing with regard to applicable State laws providing relocation benefits.) **Your signature on this claim form constitutes certification.** See 49 CFR 24.208(g) & (h) for hardship exceptions.

Please address only the category (individual or family) that describes your occupancy status. For item (2), please fill in the correct number of persons.

RESIDENTIAL HOUSEHOLDS

(1) Individual.
I certify that I am: (check one)
______ a citizen or national of the United States
______ an alien lawfully present in the United States.

(2) Family.
I certify that there are ______ persons in my household and that ______ are citizens or nationals of the United States and ______ are aliens lawfully present in the United States.

7. Computation of Payment (See 49 CFR 24.301 and 24.302)
Instructions: You may be eligible to apply for either (1) a fixed payment (see 24.302), or (2) payment for actual and reasonable moving costs and related expenses (see 24.301), or (3) in some cases, a payment based on a combination of moving options (see 24.301(b)). The computation table in this section provides you with the ability to compute your payment based on one or a combination of moving options depending on your eligibility and your needs and desires.

A fixed payment is used to compute a payment based on the numbers of rooms of furniture within the displacement dwelling. The Residential Fixed Moving Cost Schedule available at www.hud.gov/relocation, will provide the payment amount for the state in which the displacement occurred. (Note: for persons occupying a dormitory style room or where the move is performed by the Agency at no cost to the displaced person, the payment amount is limited to the amount specified for such moves on the Fixed Moving Cost Schedule.) If you choose to claim a fixed payment, fill in the applicable schedule amount in column 7c Line (3). In some cases, persons who plans to claim only a fixed payment may also be eligible for additional moving options to move personal property located outside the dwelling and not considered in the Fixed Moving Cost Schedule (jungle gym, hot tub, etc.) or for personal property requiring specialized moving assistance within the dwelling (piano, pool table, medical equipment, etc.). In these situations you may also be eligible for a payment based on actual costs for a commerical move and/or self move for these items. Contact the Agency for further assistance. If the Agency determines you are eligible for other moving options in addition to the fixed payment, fill in all applicable claim information requested for the type(s) of moving option specified in the table.

	7a. Commercial Move (Actual Costs) (Based on lower of 2 bids)		7b. Self Move (Actual Costs) (Not to exceed cost of commerical move)		7c. Self Move (Fixed Schedule) (See 49 CFR 24.302)	
	Claimant	Agency Use	Claimant	Agency Use	Claimant	Agency Use
(1) Moving Cost Expenses (49 CFR 24.301(g)(1-7); see page 3) (Do not include storage costs listed separately below). [For Mobile Home Owner Occupants also include 24.301(g)(8-10), if applicable.]						
(2) Storage Cost (Requires prior agency approval) (Not to exceed 12 months)						
(3) Fixed Moving Cost Schedule Amount (Based on number of rooms of furniture in Item 3). For amount see Moving Cost Schedule available at www.hud.gov/relocation.						
(4) Other (Explain in Remarks Section)						
(5) Total Amount of Claim.						
(6) Amount Previously Received, if any.						
(7) Amount Requested (Subtract line (6) from line (5)						
(8) Total Amount Requested - **Combination Moves Only** (add applicable columns 7(a)(7), 7(b)(7) and 7(c)(7))						

Previous versions obsolete.

Page 1 of 3 HUD form 40054 (06/2016)

8. **Certification By Claimant(s):** I certify that this claim and supporting information are true and complete and that I have not been paid for these expenses by any other source. I ask that the amount on line (7) of Item 7 or line (8) of Item 7 for combination moves be paid to ☐ me ☐ the contractor(s) (as specified in the Remarks Section).

Signature(s) of Claimant(s) & Date:

X

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

To Be Completed by the Agency

Payment Action	Amount of Payment	Signature	Name (Type or Print)	Date (mm/dd/yyyy)
9. Recommended	$			
10. Approved	$			

Remarks (Attach additional sheets, if necessary)

Additional sheets attached? ☐ Yes ☐ No

Eligible Actual Residential Moving Expenses (49 CFR 24.301(g)(1-10)

(1) Transportation of the displaced person and personal property. Transportation costs for a distance beyond 50 miles are not eligible, unless the Agency determines that relocation beyond 50 miles is justified.

(2) Packing, crating, unpacking, and uncrating of the personal property.

(3) Disconnecting, dismantling, removing, reassembling, and reinstalling relocated household appliances and other personal property. For businesses, farms or nonprofit organizations this includes machinery, equipment, substitute personal property, and connections to utilities available within the building; it also includes modifications to the personal property, including those mandated by Federal, State or local law, code or ordinance, necessary to adapt it to the replacement structure, the replacement site, or the utilities at the replacement site, and modifications necessary to adapt the utilities at the replacement site to the personal property.

(4) Storage of the personal property for a period not to exceed 12 months, unless the Agency determines that a longer period is necessary.

(5) Insurance for the replacement value of the property in connection with the move and necessary storage.

(6) The replacement value of property lost, stolen, or damaged in the process of moving (not through the fault or negligence of the displaced person, his or her agent, or employee) where insurance covering such loss, theft, or damage is not reasonably available.

(7) Other moving-related expenses that are not listed as ineligible under § 24.301(h), as the Agency determines to be reasonable and necessary.

(8) The reasonable cost of disassembling, moving, and reassembling any appurtenances attached to a mobile home, such as porches, decks, skirting, and awnings, which were not acquired, anchoring of the unit, and utility "hookup" charges.

(9) The reasonable cost of repairs and/or modifications so that a mobile home can be moved and/or made decent, safe, and sanitary.

(10) The cost of a nonrefundable mobile home park entrance fee, to the extent it does not exceed the fee at a comparable mobile home park, if the person is displaced from a mobile home park or the Agency determines that payment of the fee is necessary to effect relocation.

Public reporting burden for this collection of information is estimated to average 30 minutes per response. This includes the time for collecting, reviewing, and reporting the data. The information is being collected under the authority of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and implementing regulations at 49 CFR Part 24 and will be used for determining whether you are eligible to receive a payment for moving and related expenses and the amount of any payment. Response to this request for information is required in order to receive the benefits to be derived. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

Privacy Act Notice: This information is being used by an agency administering program services on behalf of HUD for certain HUD programs to determine whether you are eligible to receive a payment for moving and related expenses and the amount of any payment. Periodically, HUD reviews a random sample of the agency files to ensure compliance with statutory and regulatory requirements. The information requested is voluntary, you are not required by law to furnish this information, but if you do not provide it, you may not receive any payment for these expenses or it may take longer to pay you. This information is being collected under the authority of the Housing and Community Development Act of 1987, 42 U.S.C. 3543, the U.S.Housing Act of 1937, as amended, 42 U.S.C. 1437 et seq., and the Housing and Community Development Act of 1981, P.L. 97-35, 85 stat., 34,408. This information may be shared with Federal agencies and other agencies approved by HUD to administer or assist with services forUniform Relocation Assistance and Real Property Acquisition Policies Act obligations.

Annex 5
General Information (GIN) Notice

SCOR
South Carolina
Office of Resilience

HENRY D. MCMASTER, *Governor*
BENJAMIN I. DUNCAN II, *Chief Resilience Officer*

GENERAL INFORMATION NOTICE
Enter Address

Date

☐ English is not my native language. I require a translated copy.

Tenant Name
Address

Dear Tenant Name:

Please be advised the owner of the above referenced dwelling has applied to SCOR's Buyout Program. Therefore, it is possible that you may be displaced if a buyout occurs. This letter also serves to inform you of your potential rights as a displaced person under a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

If you are determined to be displaced and are required to vacate the premises, you will be informed in writing and provided a 90-Day Notice. In the event the proposed buyout does not proceed or if you are determined not to be displaced, you will also be notified in writing.

Relocation assistance may include:

- Services to find another place to live (relocation services).
- Reimbursement for your moving expenses; and
- Replacement housing payments to enable you to rent a comparable replacement home or down payment assistance if you prefer to purchase;
- Help in filing payment claims and other necessary assistance to help relocate successfully.
- Rights to appeal eligibility determination.

<u>Please note this is not a notice to vacate and you should continue to pay your rent and meet all other obligations specified in your lease agreement</u>. Failure to do so may be cause for eviction. If the property is purchased as part of the buyout project, your case manager will stay in touch with you throughout the process to inform you of relocation assistance, timelines for relocation, and individualized housing counseling.

You are not limited to the replacement housing options that SCOR finds for you. You may also search for and choose your own replacement housing. If you find new housing on your own, you must contact SCOR and let us know of your selection BEFORE you make any moving plans to ensure you maintain eligibility for relocation assistance. SCOR will need to inspect the dwelling to ensure it meets decent, safe, and secure (DSS) requirements. <u>If you move prior to being deemed eligible for URA assistance or into a home that does not meet DSS requirements, this move will be at your own risk which may forfeit the above-mentioned relocation assistance.</u>

South Carolina Office of Resilience
2100 Bull Street, Columbia, SC 29201

P: 803-896-4215
F: 803-771-2887

The enclosed HUD brochure, "Relocation Assistance to Tenants Displaced from Their Homes" provides an explanation of this assistance and other helpful information. Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

Again, this is not a notice to vacate the premises and does not establish your eligibility for relocation assistance or payments at this time. All household members 18 years or older will need to acknowledge receipt of this notice by completing and returning page 3. You may return the acknowledgment through USPS, email, or FAX. Your case manager will be scheduling a Tenant Interview shortly to discuss the program in detail, but do not hesitate to reach out with any questions or concerns.

Sincerely,

[Case Manager]
[telephone number]
[email]

Enclosure: Stamped Envelope
HUD 1042 Brochure
Acknowledgement Page for return

cc: [Homeowner]

RETURN TO: CASE MANAGER'S NAME ______________________________

BUYOUT ADDRESS: ______________________________

I acknowledge I have received the General Information Notification and the HUD 1042 Booklet.

Printed Name	Telephone Number
Signature	Date
Printed Name	Telephone Number
Signature	Date
Printed Name	Telephone Number
Signature	Date
Printed Name	Telephone Number
Signature	Date

If additional room is needed, please use back of form.

Annex 6

HUD Brochure 1042CPD-Relocation Assistance to Displaced Tenants (HUD-RADT) Brochure

A copy can be found at this link: [1042cpd.pdf]

RELOCATION ASSISTANCE TO TENANTS DISPLACED FROM THEIR HOMES

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

www.hud.gov/relocation

Introduction

This booklet describes the relocation payments and other relocation assistance provided under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) to tenants displaced from their homes. This includes any family or individual that must move as a direct result of rehabilitation, demolition or acquisition for a project in which Federal funds are used.

If you are notified that you will be displaced, it is important that you **do not move** before you learn what you must do to receive the relocation payments and other assistance to which you are entitled.

Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional and extremely unusual hardship to a qualifying spouse, parent, or child as defined at 49 CFR 24.208(h). All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

This booklet may not answer all of your questions. If you have more questions about your relocation, contact the Agency responsible for the project. (Check the back of this booklet for the name of the person to contact at the Agency.) Ask your questions before you move. Afterwards, it may be too late.

Summary of Relocation Assistance

As an eligible tenant displaced from your home, you will be offered the following advisory and financial assistance:

- **Advisory Services.** This includes referrals to comparable and suitable replacement homes, the inspection of replacement housing to ensure that it meets established standards, help in preparing claim forms for relocation payments and other assistance to minimize the impact of the move.
- **Payment for Moving Expenses.** You may choose either a:
  - **Payment for Your Actual Reasonable Moving and Related Expenses**, or
  - **Fixed Moving Expense and Dislocation Allowance**, or
  - **A combination of both, based on circumstances.**
- **Replacement Housing Assistance.** To enable you to rent, or if you prefer, buy a comparable or suitable replacement home, you may choose either:

Previous Edition Obsolete 1 HUD-1042-CPD (06/2016)

- **Rental Assistance**, or
- **Purchase Assistance**.

If you disagree with the Agency's decision as to the relocation assistance for which you are eligible, you may appeal that decision.

<u>General Questions</u>

How Will I Know I Am Eligible For Relocation Assistance?

You should receive a written notice explaining your eligibility for relocation assistance. You should not move before receiving that notice. If you do, you may not receive relocation assistance.

How Will The Agency Know How Much Help I Need?

You will be contacted at an early date and personally interviewed by a representative of the Agency to determine your relocation needs and preferences for replacement housing and advisory services. The interviewer will ask certain questions about you and other members of your household, including questions about your income. It is to your advantage to provide the information so that the Agency can assist you in moving with a minimum of hardship. The information you give will be kept in confidence.

How Soon Will I Have To Move?

If possible, a mutually agreeable date for the move will be worked out. You will be given enough time to make plans for moving. Unless there is a health or safety emergency, you will not be required to move without at least 90 days advance written notice of (1) at least one "comparable replacement home" that is available to you and (2) the earliest date by which you must move.

What Is A Comparable Replacement Home?

A comparable replacement home is:

- Decent, safe, and sanitary.
- Functionally equivalent to (and equal or better than) your present home.
- Actually available for you to rent.
- Affordable.
- Reasonably accessible to your place of employment.
- Generally as well located with respect to public and commercial facilities, such as schools and shopping, as your present home.
- Not subject to unreasonable adverse environmental conditions.
- Available to all persons regardless of race, color, religion, sex, or national origin.

What is Decent, Safe, and Sanitary Housing?

Decent, safe, and sanitary housing is housing that:

- Meets applicable housing and occupancy requirements.
- Is structurally sound, weathertight, and in good repair.
- Contains a safe, adequate electrical wiring system.
- Has adequate living space for the occupants.
- Has a kitchen with a sink, hot and cold running water, and connections for a stove and refrigerator (if you were displaced from a housekeeping unit).
- Has a separate, complete bathroom with hot and cold running water.
- Has heating as required by climatic conditions.
- Has an unobstructed exit to safe, open space at ground level.
- Meets standards protecting occupants from lead-based paint hazards.
- If you are person with a physical disability, is free of any barriers which would preclude your reasonable use of the unit.

Will The Agency Help Me Find A Replacement Home?

Yes. You will be provided with referrals to housing that has been inspected to ensure that it meets established standards. If possible, you will be referred to at least three comparable replacement homes. The maximum financial assistance for which you may qualify will be based on the cost of the most representative comparable replacement home that is available to you. Promptly after you become eligible for relocation assistance, the Agency will inform you of such unit and the maximum payment available.

Once the Agency representative has a clear understanding of your needs and preferences, he or she will work with you to assure that you are given the best possible choice of housing. The Agency will offer you appropriate transportation to inspect these units.

If you would like to move to government-owned housing or obtain a Housing Choice Voucher (HCV) let the Agency representative know of your interest. Generally, an eligible displaced person receives preference for such long term housing assistance. You will be given assistance in completing any required application forms.

What If I Find My Own Replacement Housing?

You have every right to find your own replacement housing. However, before you rent or buy, ask the Agency to inspect the unit to make sure that it is decent, safe, and sanitary. If the housing unit is not decent, safe, and sanitary, you will not receive a replacement housing payment.

What If I Encounter A Problem In Obtaining Housing Of My Choice?

If you encounter a problem in buying or renting housing of your choice, notify the Agency immediately. The Agency will look into the matter and try to resolve it. You will receive this help whether you were referred to the housing unit or found it yourself.

If you are unable to buy or rent a housing unit because of discriminatory practices on the part of a real estate broker, rental agent, lender, or a property owner, the Agency will help you file a formal housing discrimination complaint with the U.S. Department of Housing and Urban Development or the appropriate State or local fair housing agency.

What Other Services Will I Receive?

In addition to help in obtaining a comparable replacement home, other assistance, as necessary, will be provided in order to minimize the impact of your move. This assistance may include referral to appropriate public and private agencies that provide services concerning housing financing, employment, health, welfare, or legal assistance. The range of services depends on the needs of the person being displaced. You should ask the Agency representative to tell you about the specific services that will be available to help you and your family.

What Is a Payment For Actual Reasonable Moving and Related Expenses?

You may choose to receive a relocation payment to cover the reasonable cost of your move. If you choose a Payment For Actual Reasonable Moving And Related Expenses, you may include in your claim the reasonable and necessary costs for:

- Transportation for you and your family.
- Packing, moving and unpacking your household goods.
- Disconnecting and reconnecting household appliances and other personal property (e.g., telephone and cable TV).
- Storage of household goods, as may be necessary.
- Insurance for the replacement value of your property during the move and necessary storage.
- The replacement value of property lost, stolen or damaged in the move (but not through your neglect) if insurance is not reasonably available.

The Agency will explain all eligible moving costs, as well as those which are not eligible. You must be able to account for any costs that you incur, so keep all your receipts. Select your mover with care. The Agency can help you select a reliable and reputable mover.

You may elect to pay your moving costs yourself and be repaid by the Agency or, if you prefer, you may have the Agency pay the mover. In either case, let the Agency know before you move.

What Is A Fixed Moving Expense And Dislocation Allowance?

If you choose a Fixed Moving Expense and Dislocation Allowance, you will receive an allowance which is based on the number of rooms in your home or the number of rooms of furniture you will be moving, as shown on a schedule. The Agency has a copy of the schedule and will help you decide whether choosing this allowance is in your best interest.

If you do not have a large amount of personal property to move, this payment should be more advantageous. No special documentation is required to support your claim. You need only move your personal property and complete the appropriate claim form in order to receive your payment.

How Much Rental Assistance Will I Receive?

You may be eligible to receive Rental Assistance for a 42-month period. The assistance is computed in the following manner:

The assistance needed for one month is determined by subtracting the "base monthly rent" for your present home from the cost of rent and utilities for your new home (or a comparable replacement home, if that cost is lower). That monthly need, if any, is multiplied by 42, to determine the total amount that you will receive. This amount will be paid directly to you. The Agency must provide the assistance in monthly installments or other periodic payments. Generally, the base monthly rent for your present home is the lesser of: (1) the monthly rent and average monthly cost for utilities, or (2) thirty (30) percent of your average monthly gross household income, if you are low-income based on HUD income limits.

Examples: Let's say that the monthly rent and average cost for utilities for your present home are $250; the monthly rent and estimated average utility costs for a comparable replacement home are $350; and your monthly gross income is $700. In this case your "base monthly rent" would be $210 because you are low-income and that amount (30 percent of your income) is less than the monthly cost of rent and utilities at your present home ($250).

- If you rent a replacement home for $360 per month, including estimated average monthly utility charges, you will receive $5,880. That amount is 42 times $140 (the difference between the "base monthly rent" for your present home ($210) and the cost for a comparable replacement home ($350)).

- If you rent a replacement home for $310, including estimated average monthly utility charges, you will receive $4,200. That amount is 42 times $100 (the difference between the "base monthly rent" for your present home ($210) and the actual cost of your new home ($310)).

To qualify for rental assistance, you must rent and occupy a decent, safe, and sanitary home within one year after the date you move. However, the Agency will extend this period for good cause.

If I Decide to Buy, Rather Than Rent, How Much Assistance Will I Receive?

If you buy a replacement home, you may be eligible for assistance to make a down payment equal to the amount you would receive if you rented a comparable replacement home (i.e., 42 times the amount obtained by subtracting the "base monthly rent" for your present home from the monthly rent and estimated average monthly utility costs for a comparable replacement home). A down payment assistance payment will be paid in a lump sum.

Example: Assuming the information in the prior examples, the downpayment assistance payment would be $5,880. That amount is 42 times $140 (the difference between the "base monthly rent" for your present home ($210) and the monthly rent and estimated average monthly utilities cost for a comparable replacement home ($350). The full amount of the payment must be applied to the purchase of the replacement dwelling.

Must I File A Claim To Obtain A Relocation Payment?

Yes. You must file a claim for each relocation payment. The Agency will, however, provide you with the required claim form, help you to complete it, and explain the type of documentation, if any, that you must submit in order to receive the payment.

If you must pay any relocation expenses before you move (e.g., a security deposit when you sign a lease for your new home), discuss your financial needs with the Agency. While refundable deposits are not covered by URA payments, you may be able to obtain an advance payment to meet these costs. An advance payment may be placed in "escrow" or paid directly to a contractor to ensure that the move will be completed on a timely basis.

You must file your claim within 18 months after the date you move. However, it is to your advantage to file as soon as possible after you move. The sooner you submit your claim, the sooner it can be processed and paid. If you are unable to file your claim within 18 months, ask the Agency to extend this period.

Be careful not to confuse this 18-month period with the 12-month period within which you must rent (or buy) and occupy a replacement dwelling in order to be eligible for a replacement housing payment.

You will be paid promptly after you file an acceptable claim. If there is any question regarding your right to a relocation payment or the amount of the payment, you will be notified, in writing, of the problem and the action you may take to resolve the matter.

Will I Have To Pay Rent To The Agency Before I Move?

If the Agency acquires the property in which you live, you may be required to pay a fair rent to the Agency for the period between the acquisition of the property and the date that you move. Such rent will not exceed the market rent for comparable properties in the area.

Do I Have To Pay Federal Income Taxes On My Relocation Payments?

No. Section 216 of the URA states that you need not report relocation payments as part of your gross income for Federal tax purposes. For information on State or local income taxes, you should check with the State or local income tax office in your area or with your personal tax advisor.

What If I Don't Receive The Required Assistance. Can I Appeal?

If you disagree with the Agency's decision as to your right to relocation assistance or the amount of a payment, or the adequacy of the housing to which you have been referred, you may appeal the decision to the Agency.

The Agency will inform you of its appeal procedures. At a minimum, you will have 60 days to file your appeal with the Agency after you receive written notification of the Agency's determination on your claim. Your appeal must be in writing. However, if you need help, the Agency will assist you in preparing your appeal.

If you are a low- or moderate-income person and are dissatisfied with the Agency's determination on your appeal, you may have an additional right to request administrative review of that decision (e.g., by HUD or the State).

You can expect a fair decision on any appeal. However, if you are not satisfied with the final administrative decision on your appeal, you may seek review of the matter by the courts.

I Have More Questions. Who Will Answer Them?

If you have further questions after reading this booklet, contact the Agency and discuss your concerns with an Agency representative.

Agency :

Address:

Office Hours:

Telephone No.:

Person to Contact:

Annex 7

Move in Notice

Date

MOVE-IN NOTICE

PROSPECTIVE RESIDENT(S) NAME:____
BUYOUT PROPERTY ADDRESS:____

Dear__________________________:

Please read this notification carefully prior to signing a rental agreement and moving into this property. Once you have read and understood this notice, please sign below acknowledging the conditions.

On (date)____________, I/We submitted an application to the SCOR Buyout Program, a program funded by the Department of Housing and Urban Development (HUD), for a voluntary buyout of the above referenced property. Because Federal funds are planned for use in this project, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) may apply to persons in occupancy at the time the application was submitted.

However, if you choose to occupy this property subsequent to the application date, as a new tenant you will not be eligible for relocation payments or assistance. This notice is to inform you of the following information before you enter into any lease agreement and/or occupy the property located at the above address:

- The identified project property may displace residents of this property.
- This project may require residents to relocate permanently.
- This advance notice informs prospective tenants the URA will not entitle them to any relocation payments or assistance otherwise provided to residents living here before planning for this project began. If anyone who moves into the property after this date incurs moving costs or expenses, or their rent increases, as a result of the project, no one will reimburse them.

If you have any questions about this notice or the proposed project, please contact me, the Owner-Landlord, at: (address)____or by phone ____________________. Or you can contact (SCOR case manager)______________________ at telephone number____________________.

Sincerely,

Property Owner(s) Name

cc: SCOR Buyout, 2100 Bull Street, Columbia SC 29201

MOVE-IN ACKNOWLDEGEMENT

I/We have read the above notice and understand that I will not be eligible to receive URA benefits due to the above-listed conditions. I realize that I must sign this document prior to moving to the address:____

Subsequent Resident Name | Date

Subsequent Resident Signature | Telephone No.

Subsequent Resident Name | Date

Subsequent Resident Signature | Telephone No.

Use space below if additional names and signatures are required.

Annex 8
NOE

SCOR
South Carolina
Office of Resilience

HENRY D. MCMASTER, *Governor*
BENJAMIN I. DUNCAN II, *Chief Resilience Officer*

NOTICE OF ELIGIBILITY FOR RELOCATION ASSISTANCE (NOE)

Date

Tenant Name
Tenant Address
Tenant Address

Dear Tenant Name:

This is to advise you SCOR and the Owner-Landlord of the property in which you currently occupy entered into a binding contract to purchase the property through the CDBG-DR Buyout Program funded by the US Department of Housing and Urban Development (HUD). Therefore, it has been determined that you will be permanently displaced and are eligible for relocation assistance and payments under the Uniform Relocation Assistance and Real Properties Acquisition Policies Act (URA).

This is your Notice of Eligibility for relocation assistance.
The effective date of your eligibility is __date of binding contract

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

To carry out the project, it will be necessary for you to move. However, you do not need to move now. You will be provided with a written notice of the date by which you will be required to move. This date will be no less than 90 days from the date comparable replacement housing has been made available to you. **YOU DO NOT NEED TO MOVE NOW.**

Enclosed is a brochure entitled, "Relocation Assistance to Tenants Displaced From Their Homes." Please read the brochure carefully. It explains your rights and provides additional information on eligibility for relocation payments and what you must do in order to receive these payments.

The relocation assistance to which you are entitled includes:
Relocation Advisory Services: Including counseling and other assistance to help you find another home and prepare to move. Your Case Manager will assist you in securing replacement housing and fully explain our program and applicable relocation benefits.

Payment for Moving Expenses. You may choose: (1) a payment for your actual reasonable moving and related expenses, or (2) a fixed moving payment in the amount of $______ , based on the URA Fixed Residential Moving Cost Schedule, or (3) a combination of both.

South Carolina Office of Resilience
2100 Bull Street, Columbia, SC 29201

P: 803-896-4215
F: 803-771-2887
www.scor.sc.gov

Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors including: (1) the monthly rent and cost of utility services for a comparable replacement dwelling, and (2) the monthly rent and cost of utility services for your present home. This payment is calculated on the difference in the old and new housing costs for a one-month period and multiplied by 42.
Listed below are _(# of CRDs) comparable replacement dwellings that you may wish to consider for your replacement home. Transportation may be provided for you to inspect these dwellings.

Address	Rent+Utilities	Contact Information
1.		
2.		
3.		

We believe the dwelling located at ______________________________ is the most representative of your present home. The monthly rent and the estimated average monthly cost of utilities for this dwelling is $____ and it will be used to calculate your maximum replacement housing payment. Please contact us
immediately if you believe this dwelling is not comparable to your current home. We can explain our basis for selecting this dwelling as most representative of your current home and discuss your concerns.

Based on the information you have provided about your household income, current rent and utilities, you may be eligible for a maximum replacement housing payment of approximately $___________, if you rent the dwelling identified above as the most comparable to your current dwelling.

You are welcome to choose another comparable replacement dwelling rather than the one suggested. Should you choose another comparable replacement dwelling, the actual RHP will be the difference between the amount you pay for rent and estimated utilities at your decent, safe, and sanitary replacement dwelling and the amount you pay for rent plus utilities at your present dwelling over 42-Months, not to exceed a total of $9,570.00 for the entire 42-Month period. Please note all replacement housing must meet the Decent, Safe, and Secure Requirements and must be inspected by SCOR before any replacement housing payments can be issued.

Should you choose to purchase a replacement dwelling rather than renting, you are eligible to receive the same amount you would have received for rental assistance in the form of down payment assistance, up to a maximum of $9,500.00. This amount must be applied toward the purchase price of your replacement dwelling, which you actually purchase and occupy, and/or eligible incidental expenses incurred as a result of purchasing the replacement dwelling. Payment will be made directly to the closing attorney on your behalf.

Replacement housing payments are not adjusted to reflect future rent increases or changes in income. This is the maximum amount that you would be eligible to receive. If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than the comparable dwelling,

South Carolina Office of Resilience
2100 Bull Street, Columbia, SC 29201

P: 803-896-4215
F: 803-771-2887
www.scor.sc.gov

your replacement housing payment will be based on the actual cost of the dwelling. We will not base your payment on any dwelling that is not a comparable replacement home.

You may appeal the State's eligibility determination or amount of relocation payments by submitting a written appeal to the SCOR Special Case Panel at the address below within 30 calendar days of the date of this letter. Your case manager __________________ can help with any questions you may have and can be reached at (803)______.

Remember, do not move or commit to the purchase or lease of a replacement home before we have a chance to further discuss your eligibility for relocation assistance. This letter is important to you and should be retained.

Sincerely,

Enclosure: HUD 1042 Booklet
Self-addressed stamped envelope
Acknowledgement page for return

South Carolina Office of Resilience
2100 Bull Street, Columbia, SC 29201
P: 803-896-4215
F: 803-771-2887
www.scor.sc.gov

Annex 9
90-Day Notice

HENRY D. MCMASTER, *Governor*
BENJAMIN I. DUNCAN II, *Chief Resilience Officer*

90-DAY NOTICE

Date

TENANT NAME
ADDRESS
ADDRESS

«GreetingLine»

This is to advise you that on *Month Date, Year* SCOR enter into an agreement to purchase the property you currently occupy.

As a displaced occupant you may be entitled to Replacement Housing Assistance to support you in renting or purchasing a replacement dwelling, and reimbursement for certain expenses and incidental costs. Recently, you were mailed a *Notice of Relocation Eligibility and Relocation Assistance Entitlement Letter* detailing the types and amounts of assistance for which you would be eligible and providing you with the requirements to receive this assistance. Please call your Case Manager immediately if you have not received this letter.

THIS IS NOT A NOTICE TO VACATE. SCOR-MIT will not require you to move your personal property from the property you now occupy until *Date* which is 90 days after the date of this notice. If you have any questions, please contact Case Manager Name at telephone # .

Please acknowledge receipt of this letter with your signature at the bottom of the copy provided and return it to us in the self-addressed stamped envelope provided. Your continued cooperation is much appreciated!

Sincerely,

SIGNATURE INFO

Enclosure: Self-addressed stamped envelope

cc: OWNER-LANDLORD

South Carolina Office of Resilience
2100 Bull Street, Columbia, SC 29201
P: 803-896-4215
F: 803-771-2887
www.scor.sc.gov

Annex 10
DSS Inspection Worksheet

DECENT, SAFE AND SANITARY (DSS)
COMPARABLE DWELLING INSPECTION CHECKLIST

This inspection is being conducted to identify if dwelling meets HUD's definition of DSS as defined in the URA Final Rule, 49 CFR 24.2

INITIAL INSPECTION ☐ REINSPECTION ☐

SCOR Project Number: ____________________ Project Area: ____________________

Address: ____

Tenant Name: ____________________ Contact: ____________________

Landlord Name: ____________________ Contact: ____________________

Special Accommodations: ____

I confirm that 1) I am not a HUD-certified inspector; 2) I have evaluated the property to the best of my ability.

____
Inspector Signature Date

For Buyout Use:
The DSS inspection is conducted for determining if the dwelling unit meets HUD's definition of decent, safe and sanitary. <u>Therefore, this inspection must not be interpreted as SCOR's approval, assurance or guarantee of any deficiencies discovered at a later date</u>. The following conditions and/or recommendations are noted:

____________________ ______
Condition/Recommendation Initial

____________________ ______
Condition/Recommendation Initial

____________________ ______
Condition/Recommendation Initial

____________________ ______
Condition/Recommendation Initial

____________________ ______
Condition/Recommendation Initial

By signing below, I confirm:
I have met with a SCOR representative to discuss the above listed conditions and/or recommendations. ☐
I have been provided a copy of the **"Protect Your Family from Lead in Your Home"** pamphlet. ☐

____________________ ____________________
Printed Tenant Name Tenant Signature Date

____________________ ____________________
Printed SCOR Representative SCOR Representative Signature Date

(i) Comparable Housing unit must be structurally sound as to 1) Not to pose any threat to the health and safety of occupants and 2) to protect the residents from hazards.

	Yes	No	NA	OGP comment and recommendation	Buyout comment
1. Roof appears to be weathertight					
2. Exterior walls show:					
a. Leaning					
b. Buckling					
c. Sagging					
d. Large holes					
e. Other					
3. Stairs: broken/ missing steps					
4. Loose boards posing hazard					
5. Exterior doors lock					
6. In sanitary condition					
7. Free of vermin					
8. Free of air pollutants					
9. Free of water contamination					
10. Smoke Detectors:					
a. In working order					
b. Located on each floor					
c. Located in proper areas:					
• Outside of bedroom areas					
• Outside living area					
11.Transitions (if yes, complete transition table)					

Transition location	Size	Recommendation	Buyout comment

NOTES: ____________________

____

____

____

(i)(A) Many local housing and occupancy codes require the abatement of deteriorating paint, including lead-based paint and lead-based paint dust, in protecting the public health and safety. Where standards exist, they must be honored.

Lead-Based Paint Disclosure Rule (Section 1018 of Title X) directs EPA and HUD to require the disclosure of known information on the presence of lead-based paint and lead-based paint hazards before the sale or lease of most housing built before 1978. This rule does not require sellers or landlords to test or remove lead-based paint or lead-based paint hazards. SCOR will provide tenant(s) with "Protect Your Family from Lead in Your Home" published by EPA, US Consumer Product Safety Commission and HUD.

	YES	NO	UNKNOWN
12. Home built before 1978?			
	YES	**NO**	**UNKNOWN**
13. Is landlord aware of lead-based paint hazards?			

(ii) Contain a safe electrical wiring system adequate for lighting and other devices

ELECTRICAL – Dwelling must contain a safe electrical wiring system adequate for lighting and use of essential electrical appliances. Wiring must be grounded or contain three-pronged GFCI outlets. Per HUD, ungrounded outlet that is GFCI-protected is not considered a deficiency.

	YES	NO	N/A	OTHER
14. Electrical system appears safe/adequate				
15. Proper outlet for stove				
16. Outlets in proper operating condition*				

ROOM/AREA CONTAINING WATER SOURCE	Number of outlets		BUYOUT COMMENT
	GFCI	non-GFCI	
Kitchen			
Bathroom			
Other			

NOTES: ______________________

*Older construction may have ungrounded outlets, which is an acceptable type of outlet under HUD HQS. Three-pronged, grounded type outlets should not be substituted for ungrounded outlets unless 1) a ground wire is connected to the outlet, or 2) a GFCI protects the outlet.

(iii) Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system

	YES	NO	OTHER
17. Provides sufficient heating/cooling			
18. Central heating/air			
19. Window unit (if yes, complete table below)			

Location of unit	Sq. Ft. that Window unit covers	Square Feet of Dwelling	Sufficient Coverage			BUYOUT NOTES
			Yes	No	Unknown	

NOTES: ______________________________

(iv) Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced person.

ROOM	No.	Buyout Comments
20. Bedroom		
21. Bathroom		
22. Dining Room		
23. Family Room		
24. Other		
25. Other		

NOTES: ______________________________

(v) There shall be a separate, well lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub, or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. When required by local code standards for residential occupancy, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator

	Yes	No	NA	OGP comment and recommendation	Buyout comment
26. Bathroom #1:					
a. Privacy (no lock required)					
b. Permanent ceiling or wall fixture					
c. Properly connected tub/shower					
❖ Hot & cold water					
❖ Drains to sewage system					
d. Properly connected sink					
❖ Hot & Cold water					
❖ Drains to sewage system					
e. Toilet drains to sewage system					
f. Ventilation (vent or window)					
27. Bathroom #2:					
a. Privacy (no lock required)					
b. Permanent ceiling or wall fixture					
c. Properly connected tub/shower					
❖ Hot & cold water					
❖ Drains to sewage system					
d. Properly connected sink					
❖ Hot & Cold water					
❖ Drains to sewage system					
e. Toilet drains to sewage system					
f. Ventilation (vent or window)					
28. Kitchen					
a. Properly connected sink					
❖ Hot & Cold water					
❖ Drains to sewage system					
29. Stove provided					
30. Refrigerator provided					

NOTES: ____

____

____

____

vi) Contains unobstructed egress to safe, open space at ground level; and (vii) For a displaced person with a disability, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.

Access - Must be accessible and capable of being utilized without unauthorized use of other private properties. There must be one unobstructed egress on the main floor and each bedroom must have an operational, appropriate-sized (≥ 5.7 sq ft) window for egress.

	Yes	No	OGP comment and recommendation	Buyout comment
31. Unobstructed, appropriate egress				
a. Main floor				
b. Bedroom #1				
c. Bedroom #2				
d. Bedroom #3				
e. Additional bedrooms				

NOTES: ____

____

____

____

(vii) For a displaced person with a disability, be free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.

Needed Accommodation(s)	Yes	No	OGP comment and recommendation	Buyout comment

END OF CHECKLIST

Protect your Family From Lead in Your Home Pamphlet
Can be found at this link: Protect Your Family Pamphlet 2026

Annex 12
Tenant Relocation Eligibility & Advisory Services Interview Checklist

SOUTH CAROLINA OFFICE OF RESILIENCE

Buyout Team
3rd Floor Mills Building
2100 Bull Street
Columbia, SC 29201

Tenant Interview

☐ Please let your Case Manager know if: English is not your Primary Language; you need help reading or interpreting any SCOR-related documents; and/or you require documents to be translated in your native language.

☐ **Confirm the Tenant's/Other Non-Owner Occupant's Eligibility & Obtain Information on the Household:**

- Tenant's Name: ______________________
- Address:
- Months or years lived at Address: __________ (Documentation Required).
- ☐ US citizen or alien lawfully present in US: ☐ Yes ☐ No (Documentation Required).
- List All Household Members, Genders, Age, Employment Status, Annual Income & Special Needs (Documentation Required):

Household Member	Gender	Age	Employment	Annual Income	Special Needs	Relocation Challenges/Preferences
Total Income for Members Age 18 & Older:						

☐ **Explain All Available Relocation Assistance:**
- Moving Expenses for Personal Property
- Incidentals (Deposits & Closing Costs If Tenant Purchases a Replacement Dwelling)
- Relocation Housing Assistance Payments (RHPs)
- Housing of Last Resort
- Down Payment Assistance Program (If Tenant Purchases a Replacement Dwelling)

☐ **Provide Current List of Comparable Replacement Dwellings:**
- Review Legally Comparable Dwellings Located If Any
- Review Most Comparable Dwellings Located If Any
- Offer to Provide Transportation to Assistance Tenant in Locating Other Replacement Housing, If Applicable

☐ **Explain the Relocation Process, Timeline & DSS Inspection of Relocation Property**
☐ **Explain the Right & Process to Appeal**
☐ **Review Claim Forms & Offer to Aid with Completing Claim Forms if Needed**
☐ **Ask if other assistance may be needed (Section 8 appointments, Utility needs, etc).**
☐ **Provide Counseling & Other Required, and Appropriate Assistance to Minimize Relocation Hardship & Adjustments:**
☐ **Discuss noncompliance (phone calls/document requests,CRD visits/applications) may result in URA assistance.**
☐ **Continue to pay rent throughout process. Legal eviction may cause loss of URA assistance.**
☐ **Do no move without discussing with case manager. Moving without approval may cause loss of URA assistance.**

Tenant Interview p.1
V2_2026

☐ **Summarize Relocation Plan & Any Special Needs and/or Preferences Below**

☐ **List all required documentation:**

Documents may be provided through ShareFile, email, mail, or fax. **Please ensure all Personal Identifying Information (PII) is only sent through the secure ShareFile link assigned to an individual household.**

Link for PII documents @ ____

Email @ : ____

Mail: Buyout Team
3rd Floor/Mills Building
2100 Bull Street
Columbia, SC 29201

You may reach Case Manager by telephone @ ______________

Annex 13
CRD Worksheet

SOUTH CAROLINA OFFICE OF RESILIENCE

Comparable Replacement Dwelling Worksheet

Tenant Name:		Number of Adults in Household:		Number of Children in Household:	

1.	Comparison of Properties:	Replacement Dwelling Address:	Comparable Address #1:	Comparable Address #2:	Comparable Address #3:
2.	Property Address:	N/A			
3.	Number of Stories:				
4.	Type of Construction:				
5.	Age in Number of Years:				
6.	General Condition:				
7.	Total Square Feet (GLA):				
8.	Total Number of Rooms:				
9.	Total Number of Bedrooms:				
10.	Total Number of Bathrooms:				
11.	Family Room:	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No
12.	Porch or Patio:	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No
13.	Fireplace:	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No
14.	Basement Size:	☐ Full ☐ Partial ☐ None	☐ Full ☐ Partial ☐ None	☐ Full ☐ Partial ☐ None	☐ Full ☐ Partial ☐ None
15.	Basement Completion:	☐ Finished ☐ Unfinished	☐ Finished ☐ Unfinished	☐ Finished ☐ Unfinished	☐ Finished ☐ Unfinished
16.	Type of Heating:				
17.	Type of Air Conditioning:				
18.	Garage:	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No
19.	Distance to Displacement Dwelling:	N/A			
20.					
21.	Public Utilities:				
22.	Public Facilities:				
23.	Neighborhood:				
24.	Distance to Work:				
25.	Distance to school:				
26.	Decent, Safe & Sanitary:	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No
27.	Rental Agent & PhoneNumber:				
28.	Date Avaliable:				
29.	Monthly Rental Cost:				
30.	Est. Average Monthly Utilities:				
31.	Estimated Total Monthly Cost:				
32.	Legally Comparable (LC) Dwellings:	N/A	☐ Legally Comparable	☐ Legally Comparable	☐ Legally Comparable
	If No LCs, Select Most Comparable	N/A	☐ Most Comparable	☐ Most Comparable	☐ Most Comparable
	or Tenant's Relocation Dwelling:	N/A	☐ Tenant's Relocation Dwelling	☐ Tenant's Relocation Dwelling	☐ Tenant's Relocation Dwelling
	Provide Rationale for Selection:				

Annex 14

Replacement Housing Assistance Payment, Housing of Last Resort & Down Payment Assistance (RHPHLR-DPA) Calculation Form

Enter Tenant's Replacement Dwelling Monthly Rent		Enter Tenant's Replacement Dwelling Estimated Average Monthly Utilities		Total Monthly Cost of Tenant's Replacement Dwelling (Rent + Utilities)		Enter Total Monthly Cost of Rent & Utilities at Tenant's Displacement Dwelling		Tenant's Monthly Cost Difference (MCD)		Multiplier		Total Amount of Monthly Housing Assistance Payments for which Tenant May Be Eligible	Is There at Least 1 Comparable Housing Unit to Refer Tenant To	If Yes - Maximum Replacement Housing Assistance Payment (RHP) or Down Payment Assistance (DPA)	If No - $7,200 + Amount Funded by Housing of Last Resort (HLR)
	+		=		-		=		X		A				
$ 400.00		$ 200.00		$ 600.00		$ 400.00		$ 200.00		42	=	$ 8,400.00	Yes / No	$ 7,200.00	$ 1,200.00
										Estimated Reimbursement Costs for Actual Moving Expenses for Personal Property	+ B	$ 525.00	Receipt or Invoice must be submitted by Tenant or Pre-Approved Moving Vendor to Trigger Payment		
										Estimated Cost of Incidentials such as Utility Deposits for Replacement Property	+ C	$ 110.00	Receipt or Invoice must be submitted by Tenant or Utility Company to Trigger Payment		
										Starts as Total (T) Tenant Assistance Estimate (A + B + C) Before Payments	= T	$ 9,035.00	Ends as Total Tenant Assistance Cost After Payments		

The lesser of rent and estimated utility costs for the comparable replacement dwelling the agency has selected as most comparable or the rent and estimated utility costs for the actual DSS replacement dwelling rented and occupied	The Lesser of: Thirty percent of the tenant's average monthly gross household income if the amount is classified as "low-income" by HUD's Annual Survey of Income Limits for Public Housing and Section 8 Programs. (http://www.fhwa.dot.gov/realestate/ua/ualic.htm) The monthly rent and average utility costs of the displacement dwelling

The URA established a 42-month period for supplementing this payment difference.

Although the URA generally limits RHP amounts to $7,200* (see below) for 90-day or greater tenants. These payment amounts oftentimes must be exceeded as required under "Housing of Last Resort" to ensure that displaced persons can relocate to comparable, decent, safe and sanitary (DSS) housing within their financial means. RHP costs can amount to a significant part of a project's total relocation costs.

The URA requires that comparable, DSS replacement housing, within a person's financial means be made available before that person may be displaced. When such housing cannot be provided, agencies must provide additional or alternative assistance under "housing of last resort." Housing of last resort may involve the use of replacement housing payments that exceed the URA maximum amounts. Housing of last resort may also involve the use of other methods of providing comparable, DSS housing within a person's financial means.

Down Payment Assistance for Displaced Tenants - 90-day occupants (49 CFR 24.402(c)) Displaced tenants may be eligible for down payment assistance instead of a rental assistance payment. This payment is based on a rental assistance payment determination as shown above and may be used as a downpayment for the purchase of a DSS replacement dwelling. Using the calculation example above, the displaced person is eligible for downpayment assistance of up to $7,200 based on their low-income status.

URAFD#11 - RHP/HLR/DPA Calculation Form - Internal - Revised 2/18/22

Annex 15

Notice of Relocation Eligibility (NOE) & Relocation Assistance Entitlement (RAE – HLR) Letter

SCOR
South Carolina
Office of Resilience

HENRY D. MCMASTER, *Governor*
BENJAMIN I. DUNCAN II, *Chief Resilience Officer*

NOTE OF ELIGIBILITY -HOUSING OF LAST RESORT

Date

Tenant Name
Tenant Address
Tenant Address

Der TENANT Name:

This letter is to notify you of your eligibility for relocation assistance as a displaced person. If you occupied this property on the date negotiations were initiated or on the date you receive written notice from the State to vacate this property, you may be reimbursed for moving expenses. If you occupied this property for at least 90 days prior to initiation of negotiations, you may also have been eligible for replacement housing payments (RHPs) to assist you in renting or purchasing replacement housing. However, because no comparable replacement dwelling has been located for you, SCOR is prepared to offer you a <u>Housing of Last Resort Payment (HLR) of $XXX for 42 months totaling $XXX.</u>

This amount was determined in an analysis using average monthly rent of $XXX and average monthly utility cost of $XXX for available rental dwellings in your area. This amount should allow you to find a replacement dwelling. If you agree to this offer, you will have your moving expenses paid on your behalf and receive a payment upon completion of your move.

Should you choose to purchase a replacement dwelling rather than renting, you are eligible to receive down payment assistance of $XXX. This amount must be applied toward the purchase price of your replacement dwelling, which you actually purchase and occupy, and/or eligible incidental expenses incurred as a result of purchasing the replacement dwelling. A SCOR Case Manager will assist you in securing replacement housing and fully explain our program and applicable relocation benefits.

All payments to which you are entitled will be made available in sufficient time to allow you to rent or purchase a decent, safe, and sanitary replacement home. Please be advised that you may make a counteroffer to the State's HLR offer and acknowledge receipt of this letter by completing the counteroffer section of the copy provided, signing at the bottom of that copy, and returning it to us in the self-addressed stamped envelope provided. You may appeal the State's determination of eligibility or your relocation assistance amount by submitting a written appeal to the SCOR Special Case Panel at the below address no later than 30 calendar days after the date of this letter.

South Carolina Office of Resilience
2100 Bull Street, Columbia, SC 29201

P: 803-896-4215
F: 803-771-2887

[Subject of Letter] [Page #] [Date]		

THIS IS NOT A NOTICE TO VACATE. SCOR will not require you to move from the property you now occupy without providing at least 90 days written notice. Your continued cooperation is much appreciated!

By signing below and printing your name you acknowledge you have received this letter, are returning the copy provided, and will contact (case manager's name) if you have any questions. If you agree to the SCOR's HLR offer, please check that box before signing & returning the copy. If you are purchasing your replacement dwelling and would like to accept the down payment assistance, please check that box before signing & returning the copy. If you wish to make a counteroffer, please check that box & complete the counter-offer section before signing & returning the copy:

☐ I agree to the SCOR's HLR offer and will contact my Case Manager to discuss my next steps.

☐ I would like to purchase my replacement home and would like to accept the $______ down payment assistance.

☐ I wish to make a counteroffer as I believe the State should provide me with a monthly HLR payment of $ _____per month for 42 months. I have explained why I believe this amount is more reasonable on the lines on the next page (Use Extra Pages if Needed):

____

____

____

Remember, do not move or commit to the lease or purchase of a replacement home before discussing this with your Case Manager.

Sincerely,
SIGNATURE
TELEPHONE #
EMAIL

Your Case Manager:______________________________
Case Manager's Telephone #:______________________
Case Manager's Email:___________________________

SCOR South Carolina Office of Resilience

Annex 14
Tenant Interview

Buyout Team
3rd Floor Mills Building
2100 Bull Street
Columbia, SC 29201

SOUTH CAROLINA OFFICE OF RESILIENCE

Tenant Interview

☐ Please let your Case Manager know if: English is not your Primary Language; you need help reading or interpreting any SCOR-related documents; and/or you require documents to be translated in your native language.

☐ **Confirm the Tenant's/Other Non-Owner Occupant's Eligibility & Obtain Information on the Household:**

- Tenant's Name: ____________________
- Address:
- Months or years lived at Address: __________ (Documentation Required).
- ☐ US citizen or alien lawfully present in US: ☐ Yes ☐ No (Documentation Required).
- List All Household Members, Genders, Age, Employment Status, Annual Income & Special Needs (Documentation Required):

Household Member	Gender	Age	Employment	Annual Income	Special Needs	Relocation Challenges/Preferences
Total Income for Members Age 18 & Older:						

☐ **Explain All Available Relocation Assistance:**

- Moving Expenses for Personal Property
- Incidentals (Deposits & Closing Costs If Tenant Purchases a Replacement Dwelling)
- Relocation Housing Assistance Payments (RHPs)
- Housing of Last Resort
- Down Payment Assistance Program (If Tenant Purchases a Replacement Dwelling)

☐ **Provide Current List of Comparable Replacement Dwellings:**

- Review Legally Comparable Dwellings Located If Any
- Review Most Comparable Dwellings Located If Any
- Offer to Provide Transportation to Assistance Tenant in Locating Other Replacement Housing, If Applicable

☐ **Explain the Relocation Process, Timeline & DSS Inspection of Relocation Property**

☐ **Explain the Right & Process to Appeal**

☐ **Review Claim Forms & Offer to Aid with Completing Claim Forms if Needed**

☐ **Ask if other assistance may be needed (Section 8 appointments, Utility needs, etc).**

☐ **Provide Counseling & Other Required, and Appropriate Assistance to Minimize Relocation Hardship & Adjustments:**

☐ **Discuss noncompliance (phone calls/document requests,CRD visits/applications) may result in URA assistance.**

☐ **Continue to pay rent throughout process. Legal eviction may cause loss of URA assistance.**

☐ **Do no move without discussing with case manager. Moving without approval may cause loss of URA assistance.**

Tenant Interview p.1
V2_2026

☐ **Summarize Relocation Plan & Any Special Needs and/or Preferences Below**

☐ **List all required documentation:**

Documents may be provided through ShareFile, email, mail, or fax. **Please ensure all Personal Identifying Information (PII) is only sent through the secure ShareFile link assigned to an individual household.**

Link for PII documents @ ____

Email @ : ____

Mail: Buyout Team
3rd Floor/Mills Building
2100 Bull Street
Columbia, SC 29201

You may reach Case Manager by telephone @ _________________

Annex 15
Note of Eligibility – Housing of Last Resort

SCOR South Carolina Office of Resilience

HENRY D. MCMASTER, *Governor*
BENJAMIN I. DUNCAN II, *Chief Resilience Officer*

NOTE OF ELIGIBILITY -HOUSING OF LAST RESORT

Date

Tenant Name
Tenant Address
Tenant Address

Der TENANT Name:

This letter is to notify you of your eligibility for relocation assistance as a displaced person. If you occupied this property on the date negotiations were initiated or on the date you receive written notice from the State to vacate this property, you may be reimbursed for moving expenses. If you occupied this property for at least 90 days prior to initiation of negotiations, you may also have been eligible for replacement housing payments (RHPs) to assist you in renting or purchasing replacement housing. However, because no comparable replacement dwelling has been located for you, SCOR is prepared to offer you a Housing of Last Resort Payment (HLR) of $XXX for 42 months totaling $XXX.

This amount was determined in an analysis using average monthly rent of $XXX and average monthly utility cost of $XXX for available rental dwellings in your area. This amount should allow you to find a replacement dwelling. If you agree to this offer, you will have your moving expenses paid on your behalf and receive a payment upon completion of your move.

Should you choose to purchase a replacement dwelling rather than renting, you are eligible to receive down payment assistance of $XXX. This amount must be applied toward the purchase price of your replacement dwelling, which you actually purchase and occupy, and/or eligible incidental expenses incurred as a result of purchasing the replacement dwelling. A SCOR Case Manager will assist you in securing replacement housing and fully explain our program and applicable relocation benefits.

All payments to which you are entitled will be made available in sufficient time to allow you to rent or purchase a decent, safe, and sanitary replacement home. Please be advised that you may make a counteroffer to the State's HLR offer and acknowledge receipt of this letter by completing the counteroffer section of the copy provided, signing at the bottom of that copy, and returning it to us in the self-addressed stamped envelope provided. You may appeal the State's determination of eligibility or your relocation assistance amount by submitting a written appeal to the SCOR Special Case Panel at the below address no later than 30 calendar days after the date of this letter.

South Carolina Office of Resilience
2100 Bull Street, Columbia, SC 29201

P: 803-896-4215
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[Subject of Letter] [Page #] [Date]		

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By signing below and printing your name you acknowledge you have received this letter, are returning the copy provided, and will contact (case manager's name) if you have any questions. If you agree to the SCOR's HLR offer, please check that box before signing & returning the copy. If you are purchasing your replacement dwelling and would like to accept the down payment assistance, please check that box before signing & returning the copy. If you wish to make a counteroffer, please check that box & complete the counter-offer section before signing & returning the copy:

☐ I agree to the SCOR's HLR offer and will contact my Case Manager to discuss my next steps.

☐ I would like to purchase my replacement home and would like to accept the $______ down payment assistance.

☐ I wish to make a counteroffer as I believe the State should provide me with a monthly HLR payment of $ _____per month for 42 months. I have explained why I believe this amount is more reasonable on the lines on the next page (Use Extra Pages if Needed):

____

____

____

Remember, do not move or commit to the lease or purchase of a replacement home before discussing this with your Case Manager.

Sincerely,	Your Case Manager:____________________________
SIGNATURE	Case Manager's Telephone #:____________________
TELEPHONE #	Case Manager's Email:__________________________
EMAIL	

Annex 16
URA FAQ

URA
FREQUENTLY ASKED QUESTIONS FOR LANDLORDS

SCOR South Carolina Office of Resilience

Q: WHAT IS URA?

A: Under the Uniform Relocation Assistance (URA) and Real Property Acquisition Policies Act of 1970, as amended, eligible tenants that are involuntarily displaced from their rental property may be eligible for relocation payments and other assistance. SCOR is required by the U.S. Department of Housing and Urban Development (HUD) to follow URA requirements and regulations for the Community Development Block Grant-Mitigation funded buyout program.

As a landlord, you have responsibilities to comply with URA regulations. Landlord applicants are required to disclose the presence of tenants at application and later if a move-in is planned for a vacant unit after application. The program may find a landlord applicant ineligible if they do not: 1. Disclose existing tenants at the time of application; or 2. Comply with the move-in requirements outlined in SCOR's Policy and Procedure Manual. If you have any questions regarding your tenant(s), please email MIT_Buyout@scor.sc.gov or contact your case manager. **Failure to comply with SCOR policies and URA Regulations may jeopardize homeowner's eligibility to participate in the buyout program.**

Q: WHY DO I NEED TO PROVIDE INFORMATION ABOUT MY TENANT?

A: SCOR needs information about the tenant to determine the tenant(s) eligibility for URA benefits. This includes a copy of the current lease agreement, the tenants name and contact information, and the move-in dates (if not specified on the lease). It is better to discuss requirements, obligations and projected timeline at the onset of the buyout with your tenant.

Q: WHEN WILL MY TENANT(S) BE CONTACTED? WHAT WILL THEY BE TOLD?

A: The tenant will receive a General Information Notice (GIN) via certified mail once the property owner has completed the buyout intake application. A copy of the GIN will also be sent to the property owner via certified mail. The GIN informs the tenant the property owner has applied to the SCOR CDBG-MIT buyout program and SCOR will be contacting the tenant soon with additional information. The GIN also stresses to the tenant that they should not move, and they must continue to pay rent and abide by the terms of the lease agreement. It also provides a point of contact for the owner and/or tenant to contact SCOR with any questions about URA. The tenant is informed that they will not be notified of their eligibility for URA until the owner enters into an agreement to sell the property to SCOR.
SCOR will contact the tenant after they have received the GIN to explain the URA program in more detail, and to ask questions about the current rental home. These questions will help SCOR to find a replacement dwelling for the tenant IF the owner elects to sell the property and the tenant is displaced.

Q: WILL I GET COPIES OF ANY/ALL URA DOCUMENTS?

A: Yes. The property owner will receive copies of all URA related documents that SCOR sends to the tenant.

Q: WHAT HAPPENS IF MY TENANT(S) STOP PAYING RENT, VIOLATE THE TERMS OF THE LEASE, AND/OR MOVE OUT?

A: If a tenant stops paying rent, or otherwise violates the terms of their lease, they will jeopardize their eligibility for URA assistance. A landlord participating in the buyout program that pursues an eviction is advised to obtain a court order for the eviction (even if the tenant has already moved). An eviction is allowable when the tenant demonstrates a serious or repeated violation of the terms and condition of their lease. Any change in tenant status needs to be reported to your case manager.

URA
FREQUENTLY ASKED QUESTIONS
FOR LANDLORDS

SCOR
South Carolina
Office of Resilience

Q: I HAVE FRIENDS OR FAMILY STAYING IN THE PROPERTY WITHOUT A LEASE. DO THEY COUNT AS TENANTS?

A: To be eligible for URA assistance, tenants must have documentation that they were in legal occupancy of the buyout property (i.e.: a written lease agreement) and must be in lawful occupancy of the buyout property for at least 90 days prior to the date the owner accepts the Offer to Purchase contract on the buyout property. Individuals serving as the home's caretaker on behalf of owner(s) will not be considered tenants.

Q: HOW MUCH IS URA ASSISTANCE AND WILL THOSE PAYMENTS FOR THE TENANT(S) COME OUT OF MY BUYOUT PROCEEDS?

A tenant may be eligible for rental assistance payment and a moving and related expense payment of up to $9,570 (unless Housing of Last Resort is required) to be used to relocate to a new rental unit or to be used as down payment assistance for the purchase of a property.

The URA payments for eligible tenants **WILL NOT** be deducted from the property owner's buyout proceeds. SCOR will fund the URA payments to eligible tenants using CDBG-MIT buyout project funds.

Q: CAN I OPT OUT OF URA?

A: If you apply to the SCOR MIT buyout program, you cannot opt out of URA. SCOR is required by Federal law to conduct URA whenever a property owner applies for CDBG-MIT assistance. All leases should remain in place.

Q: WHAT HAPPENS IF I DON'T ACCEPT THE OFFER TO PURCHASE ON MY PROPERTY?

If you do not accept the offer to purchase the property, the tenant will receive a Notice of Non-Displacement informing them that they are **NOT** eligible for URA assistance because the property owner has elected not to sell the property. The owner will receive a copy of this notice as well.

Annex 17

Buyout Program Internal Audit Plan

MITIGATION BUYOUT PROGRAM – AUDIT PLAN

Background and Purpose

The purpose of this plan is to provide consistent methodologies for conducting internal audits for the CDBG-DR Buyout program and establish monitoring priorities within available resources. Internal Audit is independent of SCOR's CDBG-DR Program and reports directly to the Chief of Staff/General Counsel. Internal Audit performs compliance and financial audit reviews on program activities to ensure they are:

- Necessary, reasonable, and allocable.
- Authorized or not prohibited.
- Conform to limitations or exclusions.
- Consistent with policies, regulations, and procedures.
- In accordance with appropriate professional accounting standards.
- Adequately documented; and treated consistently.

Buyout Property File Review Audit Plan Outline

I. **Audit Engagement Email**
   a. Purpose
   b. Scope of audit
   c. Documents to be reviewed

II. **Audit Checklist**
   a. Environmental
   b. Eligibility
   c. DOB
   d. Appraisals
   e. Offer to Purchase
   f. Contract
   g. Closing
   h. Demo
   i. Property File Closeout

III. **Audit Findings Letter**
   a. Scope
   b. Results
   c. Conclusions
   d. Recommendations
   e. Acknowledgment of satisfactory performance

Preliminary File Reviews

File Review Scope

- Overall Buyout Program: 25%
- MSCP: 100%
- Scope will be limited to the reason the MSCP case is presented to panel.

Documentation Reviewed

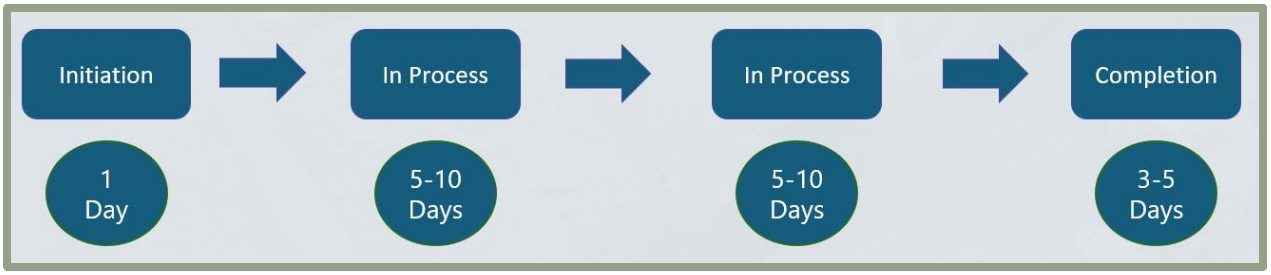
- Environmental

- Eligibility
- Duplication of Benefits
- Appraisals
- Offer to Purchase

Frequency

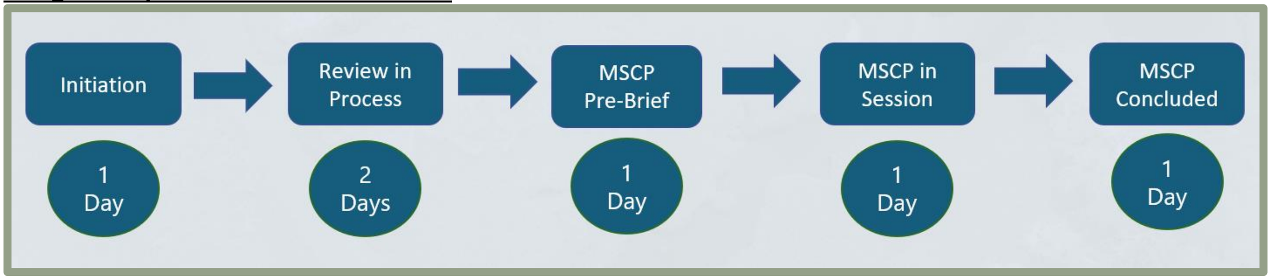
The Mitigation Buyout Program staff will notify Internal Audit staff once batches or "cohorts" of property files are ready for review. The Internal Audit staff will then conduct preliminary file reviews on a weekly basis (as needed). The Internal Audit staff will send MIT staff a weekly "case review" email to track progress.

Preliminary File Review Timeline



1. The Mitigation staff will notify Internal Audit that files are ready for review.
2. Internal Audit will send an engagement email to the Mitigation staff.
3. Internal Audit reviews files and will:
    a. Clear case to move forward to the next stage in buyout process via email or email Mitigation staff the preliminary findings.
4. The Mitigation staff reviews email from Audit and if there are no findings:
    a. The Mitigation staff will move case to the next stage in the buyout process.
    b. If there are findings, the Mitigation staff will email correction(s) and/or explanation(s) to Internal Audit; and/or send the case to Mitigation Special Case Panel.
5. Internal Audit reviews Mitigation's email with corrections/explanations and will:
    a. Clear case to move forward to the next stage in buyout process via email or suggest case be sent to Mitigation Special Case Panel.

Mitigation Special Case Panel Timeline



1. Mitigation staff notifies Internal Audit that MSCP packets are ready for review at least 48 hours in advance.

2. Internal Audit reviews SCP Packets
3. Audit notes are prepared for SCP session.
4. Audit and MSCP members address case related issues before the official MSCP session in the MSCP Pre-Brief.
5. Audit expresses concerns and/or opinion during the MSCP session.
6. Panel motions to approve, deny, or table the discussion.
7. Audit adds MSCP notes to SOR.

Audit shall research and investigate any information as deemed needed and may challenge the proposed item as submitted. **Internal Audit will forward any concerns regarding the information, findings, and the proposal to the South Carolina Chief Resilience Officer (CRO).** The CRO will make a final determination as to whether the State will fund any items designated as inappropriate by Internal Audit.

Compliance Audits

<u>Compliance Audit Scope</u>

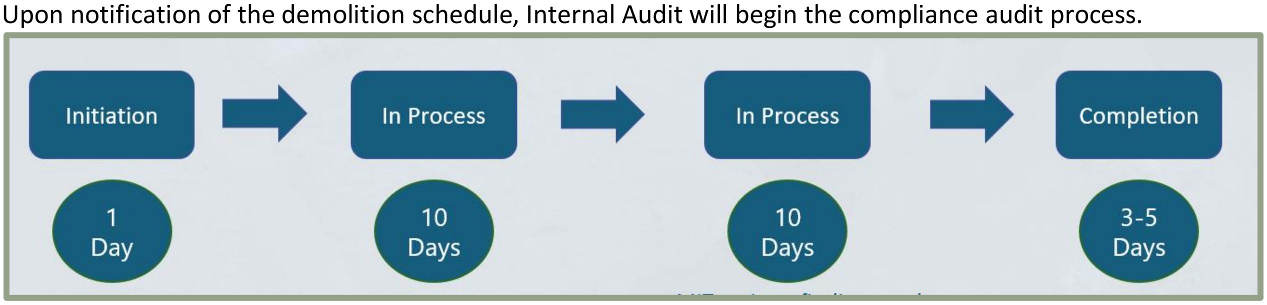
- Overall Buyout Program: 25% minimum
- MSCP: 100%
- Scope will be limited to the reason the MSCP case is presented to panel.

<u>Documentation Reviewed</u>

- Environmental
- Eligibility
- Duplication of Benefits
- Appraisals
- Offer to Purchase
- Contract
- Closing
- Demo
- Property File Closeout

<u>Frequency</u>

Upon notification of the demolition schedule, Internal Audit will begin the compliance audit process.



1. Internal Audit sends engagement email to Mitigation Program staff.
2. Internal Audit will randomly select case files to audit. Internal Audit may also select specific cases to audit to comply with federal regulations.

3. Audit will examine case files, requested documentation, & conduct interviews with Mitigation staff (as needed). If there are no findings Audit will:
    a. Email Mitigation staff a “No Findings” letter acknowledging satisfactory performance.
    b. If there are findings, Audit will email preliminary findings to Mitigation staff.
4. Mitigation staff reviews findings and will:
    a. Email correction(s) and/or explanation(s) to Audit.
5. Audit performs final review of files and will:
    a. Update findings, as necessary and submit official audit findings to Mitigation staff.
6. MIT reviews findings and provides a response (agree or disagree).
7. Internal Audit conducts post audit interview (if applicable).
8. Completed audit package is sent to Management.
9. Once approved by management, audit package will be uploaded to the SOR.

Annex 18

Davis-Bacon Applicability to Demolition Work

Office of Labor Relations

LABOR RELATIONS LETTERS

Date: August 12, 2009 **Letter No. LR 2009-01**

Subject: **Davis-Bacon applicability to demolition work**
I. Purpose
II. General principles
III. Character of work for "covered" demolition

I. Purpose

The purpose of this Letter is to discuss the applicability of Davis-Bacon wage requirements to demolition work conducted in relation to HUD program activity. In addition, this Letter provides guidance concerning character of work determinations where demolition work is covered by Davis-Bacon requirements.

II. General principles

Demolition, by itself, is not necessarily considered to be *construction, alteration or repair* (i.e., activities to which Davis-Bacon requirements may apply). As a result, Davis-Bacon wage requirements are not typically triggered by demolition work, alone. However, if subsequent construction at the site is planned as part of the same contract or if subsequent construction is contemplated as part of a future construction project, then the demolition work is considered to be part of the overall construction project. In such cases, if the subsequent construction work is subject to Davis-Bacon requirements, then the demolition would likewise be covered by Davis-Bacon requirements.[1]

Therefore, in most cases, demolition is *not* covered by Davis-Bacon requirements *unless* it will be followed by Davis-Bacon – covered construction. This principle remains true whether the demolition is financed or assisted with HUD program funds or with other (non-HUD) funding. There are very few exceptions. For example, Davis-Bacon requirements apply to demolition work where such requirements are imposed by statutory provisions that specify demolition as a Davis-Bacon – covered activity[2].

In the context of HUD program activity, Davis-Bacon coverage of demolition would necessarily involve knowledge that there will be subsequent construction *and* that the

[1] See All Agency Memorandum 190 and DOL Field Operations Handbook, para 15d02 , available in the Library at www.wdol.gov, and HUD Handbook 1344.1, para 7-5, available at in the Library at www.hud.gov/offices/olr *Note:* Davis-Bacon applicability to subsequent construction may be triggered by HUD-assisted demolition. For example, the use of CDBG funds to finance demolition work that will be followed by construction work financed from other sources may trigger Davis-Bacon requirements on the construction work and thus, also, on the demolition. Please contact the HUD Labor Relations staff for your area for assistance with applicability determinations.

[2] Housing Act of 1949, Urban Renewal Program.

subsequent construction work will be covered by Davis-Bacon. This knowledge, whether of planned or contemplated construction work, implies that there is documented evidence of the expected subsequent construction. Such evidence may include contract specifications; disposition plans; budgets; applications for assistance; and similar records.

III. Character of work for "covered" demolition

When demolition work is covered by Davis-Bacon wage requirements, the next issue is the determination of the character of work for wage determination purposes – whether the applicable wage decision is residential, building, highway, or heavy. In such cases, the determining factor for character of work is the *end result* of the work at that site. That is, whether the end result is "residential" (single-family homes or apartments 4 stories or less in height); "building" (e.g., an apartment building greater than 4 stories, an office building, parking garage, or community center); "highway" (e.g., a parking lot, streets, or sidewalks); or "heavy" (e.g., an outdoor swimming pool).[3]

For example, the demolition of a 16-story apartment building that results in the construction of 2-story townhomes would be subject to a residential wage decision; the demolition of an office building that is followed by the construction of a parking lot would be subject to a highway wage decision.

Finally, in some circumstances, it may be known that the demolition will be followed by Davis-Bacon – covered construction work but the *character* of the end result is not yet determined. For example, it isn't known at the time the demolition is conducted whether the following construction will involve low-rise apartments (4 stories or less) or a high-rise apartment building (5 or more stories). In such cases, a heavy wage decision is applicable.

Any questions regarding this Letter should be directed to the Regional or Field HUD Labor Relations staff responsible for the jurisdiction involved. A list of Labor Relations staff, the jurisdictions they serve, and contact information is available at the Office of Labor Relations web site: www.hud.gov/offices/olr

Waite H. Madison

Waite H. Madison
Director
Office of Labor Relations

[3] See AAMs 130 and 131.

Annex 18
Voluntary Buyout – DOB Worksheet

VOLUNTARY BUYOUT - DOB WORKSHEET		
Name:		
Address:		
Did Owner receive federal or insurance assistance ?		
Screenshots saved to file?		
Communication w/ insurance company or private funding source in file?		
If NO	DOB Complete	
If YES	FEMA Funds Received	
	NFIP Funds Received	
	SBA Funds Received	
	Private Insurance Funds Received	
	Other Funds Received	
	Are funds still available assistance received? (EX: uncashed check, funds in bank)	
	If Yes, amount remaining: (Remaining funds will be considered DOB)	
	DOB TOTAL:	$