



GEORGIA DEPARTMENT *of* COMMUNITY AFFAIRS

CDBG-DR Homeowner Rehabilitation and Reconstruction Program (HRRP) Policy Manual

Table of Contents

CDBG-DR Homeowner Rehabilitation and Reconstruction Program (HRRP) Policy Manual	5
1.1 Program Overview	5
1.1.1 Scope of Relief Allocation and Efforts	5
1.1.2 Summary of Program Activities	6
1.1.3 National Objective and Funding Priorities	6
1.1.4 HUD Income Limits	7
1.1.5 Homeowner Rehabilitation and Reconstruction Marketing Plan	7
1.1.6 Allocation and Housing Assistance Maximum Deferred Payment Loan Amounts	7
1.2 Policies and Process Overview	8
1.2.1 Applicant Eligibility	8
1.2.2 Property Eligibility	10
1.2.3 Expense Eligibility	13
1.3 Eligibility Requirements and Verification Procedures	15
1.3.1 Applicant Identity and Citizenship/Verification of Lawful Presence Requirement	15
1.3.2 Document Ownership Interest	17
1.3.3 National Flood Insurance Program (NFIP) Coverage	19
1.3.4 Unrepaired Qualifying Storm Damage	19
1.3.5 Income Eligibility	20
1.3.6 Location Determination for Eligible Communities	21
1.3.7 Eligible Structures	21
1.3.8 Ineligible Structures	21
1.3.9 Conditionally Eligible Structures	22
1.3.10 Death of an Eligible Owner-Occupant	22
1.3.11 Foreclosure	22
1.4 Application Intake	22

1.4.1 Application Priority Schedule.....	22
1.4.2 Timeliness of Application Status	22
1.4.3 Applicant Responsiveness.....	23
1.4.4 Communication Designee	23
1.4.5 Power of Attorney	23
1.4.6 Reasonable Accommodations:	24
1.4.7 Voluntary Application Withdrawal.....	24
1.4.8 Application Termination.....	24
1.4.9 Additional Required Forms	25
CDBG-DR HRRP Required Forms.....	25
Required Forms.....	25
Application Closure Steps	26
Temporary Relocation Assistance Checklist	26
Required.....	26
Optional.....	27
1.5 Pre-Construction.....	27
1.5.1 Property Inspection	27
1.5.2 Scope of Work Write-Up and Cost Estimate	28
1.5.3 Environmental Review.....	34
1.5.4 Sample Notice of Intent to Request a Release of Funds (Concurrent Notice)	36
1.5.5 Determining Rehabilitation vs. Reconstruction vs. Replacement.....	40
1.5.6 Escrowed and Supplemental Funds.....	42
1.5.7 Final Qualification of Applicants	42
1.5.8 Applicant Orientation	42
1.5.9 Holding the Pre-Construction Conference.....	42
1.6 Payment Process	43
1.6.1 Setting up the Activity with DCA.....	43
1.6.2 Drawing Down Activity Funds with DCA.....	43

1.6.3 Requests to Exceed Maximum HRRP Assistance.....	45
1.6.4 Duplication of Benefits (DOB)	45
1.6.5 Allowable Repairs.....	46
1.6.6 Contractor Fraud	46
1.6.7 Forced Mortgage Payoff	46
1.6.8 Legal Fees.....	47
1.6.9 Tax Filings	47
1.6.10 Subrogation	47
1.7 Construction	48
1.7.1 Monitoring the Contractors.....	48
1.7.2 Construction File	49
1.7.3 Georgia Lien Law	49
1.7.4 Converting an Activity from Rehabilitation to Reconstruction	51
1.7.5 Interim Inspections and Progress Payments.....	51
1.7.6 Change Orders.....	52
1.7.7 Construction and Safety Guidelines.....	53
1.7.8 Appeals Process	53
1.8 Close Out	55
1.8.1 Final Inspection and Final Payment	55
1.8.2 Closing the File and Warranty.....	56
1.8.3 Monitoring and Change of Ownership.....	56
1.8.4 Record Retention and Transmission of Records to DCA.....	56
1.9 Rapid Unsheltered Survivor Housing	57
Appendix A: Applicable Laws and Regulations.....	58
I. General	58
II. Financial Management.....	58
III. Civil Rights	58
IV. Labor Standards	59

V. Acquisition/Relocation	59
VI. Housing.....	59
VII. Environmental.....	60
VIII. Other	60

CDBG-DR Homeowner Rehabilitation and Reconstruction Program (HRRP) Policy Manual

1.1 Program Overview

The CDBG-DR Homeowner Rehabilitation and Reconstruction Program (HRRP) is a vital initiative by DCA under the CDBG-DR program to aid homeowners in rebuilding and repairing homes damaged by federally declared disasters. The HRRP chapter serves as a comprehensive guide for program compliance, fund utilization, and the processes to ensure equitable distribution of recovery funds to eligible homeowners. It supports community stability and economic recovery by assisting in home rebuilding and repair. The program promotes resilience through sustainable construction methods to mitigate future disaster risks. Special attention is given to vulnerable populations, including the disabled and low-income families, providing access to necessary resources.

Homeowners can receive grants and forgivable loans based on their home's damage and financial need. Case managers assist applicants in navigating the application process, gathering documentation, and staying informed throughout the reconstruction and rehabilitation process. Qualified contractors execute repairs and new construction according to state and federal building codes. Compliance monitoring, technical assistance, and regular site inspections ensure proper fund usage and adherence to safety standards.

1.1.1 Scope of Relief Allocation and Efforts

DCA administers HRRP funding for homeowners affected by major federally declared disasters in Georgia. CDBG-DR has provided millions of dollars in HRRP funds across several CDBG-DR allocations. HRRP has significantly impacted disaster recovery efforts across the State.

This section serves as the primary reference for HRRP implementation and applies to all implementation vendors, employees, consultants, and contractors engaged in program activities. Implementation vendors are responsible for executing program activities in compliance with applicable CDBG-DR regulations and federal requirements. DCA provides oversight, technical assistance, policy development, funding management, compliance monitoring, and reporting to HUD regarding program expenditures and outcomes.

Policies outlined in this section may be subject to updates to reflect changes in federal or state regulations or adjustments to unmet recovery needs. DCA may issue policy revisions, bulletins, memoranda, design guidance, or other directives that modify or clarify program implementation requirements. In the event of a conflict between this section and subsequent guidance, the latest issued directive takes precedence.

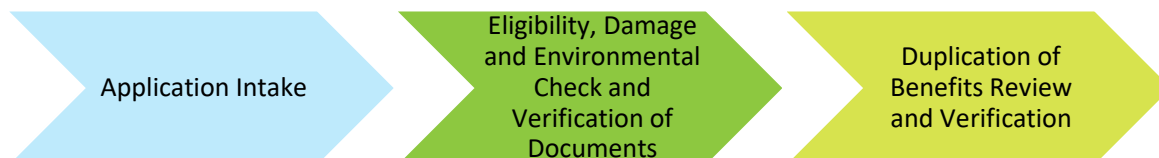
This section establishes the foundational requirements for federal and state compliance. DCA retains authority to make case-specific determinations regarding program policy implementation. Any deviation from the standard procedures outlined in this section must be documented in writing and retained in accordance with the record retention policy described in [Section 1.8.4](#).

1.1.2 Summary of Program Activities

DCA's HRRP process kicks off with determining eligibility. This step involves gathering and verifying all the necessary information to confirm if homeowners qualify for deferred payment loans.

Figure 1 below shows the process overview for the intake and processing of homeowners' applications.

Figure 1: Application Intake and Processing



Once eligibility is established, the next step is to finalize the contract and deferred payment loan agreement with those eligible homeowners.

After eligibility is sorted out, the program moves into the construction and compliance phase. During this time, homeowners get the help they need to repair or reconstruct their homes. The aim here is to make sure the homes are not only fixed but also strengthened to meet the required standards.

The construction and compliance phase, as seen in Figure 2, is where repair or reconstruction assistance is provided to the property owner and the result is a rehabilitated and more resilient housing unit. After final construction activities and the completion of any compliance period, the grant will be closed out.

Figure 2: Construction and Compliance



The last phase is closing out the grant process. This involves making sure all construction work is completed and compliance requirements are met. Once everything is in order, the grant process is officially closed.

This structured approach aligns with DCA's mission to work with communities and create a thriving environment for Georgia's families and businesses. This summary highlights the main steps and goals of the Georgia HRRP, in alignment with both federal and state regulations.

1.1.3 National Objective and Funding Priorities

HRRP aims to serve the National Objectives of benefiting Low- and Moderate-Income (LMI) households and addressing urgent needs. According to the Universal Notice, at least seventy (70) % of program funds must meet the LMI National Objective. LMI households are defined as those with incomes below eighty (80) % of the Area Median Income (AMI). Households with incomes between eighty (80) % and one-hundred-twenty (120) % of the AMI may be served under the Urgent Need

National Objective. To comply with the urgent need objective, an activity must be designed to alleviate conditions that the vendor certifies:

1. Pose a serious and immediate threat to the health or welfare of the community.
2. Are of recent origin or recently became urgent.
3. Cannot be financed by the applicant on its own.
4. Lack other available funding sources to carry out the activity.

Activities that do not meet a national objective are considered ineligible, and any associated expenses will not be paid or may require repayment if already disbursed. More information regarding the criteria for national objectives can be found on **24 CFR 570.208**.

1.1.4 HUD Income Limits

HUD publishes income limits annually, accessible here through the HUD Office of Policy Development and Research's website: <https://www.huduser.gov/portal/datasets/il.html>. For HRRP, income limits will be determined upon completion of an application with all the required document uploads. The date of completion will serve as the date income levels are verified. This initial verification of income limits shall remain valid for the entirety of the rehabilitation, reconstruction, or replacement activity.

By adhering to these guidelines, HRRP aligns with the HUD Universal Notice and supports DCA's mission to build strong, vibrant communities.

1.1.5 Homeowner Rehabilitation and Reconstruction Marketing Plan

Vendors are required to submit a marketing plan to DCA detailing proposed outreach efforts to inform citizens about HRRP. The plan should include strategies such as utilizing local media outlets, newspapers, broadcast media, public meetings, and other effective communication channels. The marketing plan must receive DCA's approval prior to the initiation of program activities. DCA will monitor the implementation of the marketing plan to ensure compliance with HUD's affirmative marketing requirements as outlined in **24 CFR 570.601** and **24 CFR 92.351**, as well as alignment with DCA's commitment to fostering inclusive and informed communities.

Additionally, DCA's Marketing and Communication (MarComm) department utilizes multiple social media platforms and will provide regular postings of all application cycles, public hearings, informational sessions, etc.

1.1.6 Allocation and Housing Assistance Maximum Deferred Payment Loan Amounts

The maximum deferred payment loan for each eligible property is defined in the most recently approved version of the CDBG-DR Action Plan. This encompasses all construction costs, mitigation measures, elevation costs, site improvements, construction standard conditions (such as dumpsters, on-site toilets, permitting, variances), and temporary relocation assistance. Exceptions to the maximum deferred payment loan limits may be considered on a case-by-case basis. Formal requests to exceed the maximum deferred payment loan amount should be directed to the Project Specialist assigned to HRRP. DCA will issue a determination upon review of such requests within 5 business days of the request.

1.2 Policies and Process Overview

1.2.1 Applicant Eligibility

Eligibility for HRRP assistance requires homeowners to demonstrate that their primary residence was damaged in a federally declared disaster area. Applicants must meet income eligibility requirements (typically at or below 80% of the Area Median Income) and provide proof of ownership and occupancy. The proof of ownership and occupancy at the time of disaster are critical for this criterion. This section helps homeowners understand the necessary documentation and appeal processes for denied applications.

Application Process Overview

Homeowners must submit documentation verifying income, property ownership, and disaster-related damage. Case managers assist applicants in completing this process. Approved applications receive funds for rehabilitation or reconstruction based on the extent of damage. Examples include funding for repairs to restore habitability or rebuilding homes with modern codes and sustainability standards, such as elevated foundations in flood-prone areas.

Applicant Certification Requirements

To receive assistance, applicants must comply with the requirements in Figure 3.

Figure 3: Certification Requirements

Information Release	All household members aged eighteen (18) and over must sign a release permitting the sharing of information with state and federal agencies, as well as designated third parties, for data verification purposes. In cases where a Power of Attorney is in effect, the owner-applicant may not be required to sign the release.
Verification	Applicants must allow verification of ownership status, disaster-related damage to the residence, and any prior assistance received for the disaster.
Affidavit of Accuracy	Applicants must attest to the truthfulness and completeness of all information provided to the program, acknowledging that false statements may result in penalties under the law.
Cessation of Construction	Any ongoing construction activities must be halted at the time of application.
Insurance Maintenance	Applicants are required to maintain property and casualty insurance on the assisted property.
Overpayment Acknowledgment	Applicants must acknowledge that any overpayment of benefits is subject to recapture.

Documentation	Applicants must sign all necessary documents to receive assistance, including any revised documents that reflect changes after a grant agreement has been executed. Failure to comply may result in disqualification from the program and closure of the application. If disqualification occurs after program funds have been invested in the property, the homeowner will be responsible for repaying all program funds through a recapture process.
Mortgage Company Notification	The vendor will inform the applicant's mortgage company of the applicant's participation in HRRP.

Ownership Residency Requirement

Homeowners are required to retain ownership and occupy the property as their primary residence for a period of five (5) years from the date of completion of rehabilitation or reconstruction. Transferring title or causing involuntary displacement of tenants during this period will trigger a recapture of funds, as outlined in Figure 4 below:

Figure 4: Repayment of Assistance for Failing to Retain Ownership

Within 1 Year:	100% repayment of assistance required.
Between 1 and 2 Years:	80% repayment required.
Between 2 and 3 Years:	60% repayment required.
Between 3 and 4 Years:	40% repayment required.
Between 4 and 5 Years:	20% repayment required.

Homeowner's Insurance

Applicants are required to maintain homeowner's insurance sufficient to cover, at a minimum, the amount of the deferred payment loan for the entire five (5)-year compliance period. HRRP will cover the first year's premium to provide applicants with time to prepare for future insurance costs. The total award amount will include the cost of this initial premium.

The vendor should assist homeowners in identifying affordable insurance policies to ensure they can sustain premium payments after the first year, which is funded by HRRP.

Recapture

The agreement between the homeowner and HRRP, along with any applicable mortgage and lien documents, will detail recapture requirements for CDBG Disaster Recovery-assisted housing activities. These legal instruments—such as deed restrictions, covenants running with the land, or similar mechanisms—ensure that the State may recapture financial assistance if the property is transferred or if the owner fails to meet program obligations. A clear, specific third-party agreement

ensures all parties understand the specific requirements applicable to the unit, including principal residency requirements and the terms and conditions of recapture.

The recapture approach mandates that all or a portion of the direct subsidy provided to the homeowner be reclaimed from the net proceeds of a sale occurring during the compliance period. These provisions are enforced through a written agreement. Any transfer of title, whether voluntary or involuntary, during the specified period will trigger recapture provisions. In the event of the homeowner's death, situations where an immediate family member assumes ownership will be evaluated individually. Figure 5 details the recapture procedures resulting from noncompliance with any contractual obligations.

Figure 5: Recapture Procedure

Documentation	A meeting with the applicant to document the reasons for recapture.
Notice Issuance	A sixty (60)-day notice requiring full repayment, certification of compliance, or the establishment of a repayment plan, if approved by the vendor.
Applicant Location Efforts	If the notice is returned, the vendor staff will make good-faith efforts to locate the applicant.
Appeals Process	Applicants believing an error has occurred may appeal based on DCA appeals process. The vendor may need to gather additional information regarding the appeal. DCA's CDBG-DR Appeal Board will review all the information and make a final determination.
Fraud Referral	If fraud is suspected, the case will be referred immediately to the Georgia Office of the Inspector General.

Fraud

Subrecipients, applicants, contractors and other associated parties are required to provide accurate and complete information during the CDBG-DR grants management processes. Failure to do so may delay processing and could constitute fraud. DCA's CDBG-DR staff will examine potential fraud cases individually and may refer them to DCA's Director of Legal Services. If necessary, cases will be escalated to the Attorney General or the Georgia Office of the Inspector General. In instances where the recapture of funds is required, further assistance will be withheld until the recaptured amount is repaid. This procedure aligns with HUD's requirement for subrecipients to establish adequate procedures to detect and prevent fraud, waste, and abuse of funds.

Referrals to Other Resources

The vendor may provide applicants with a list of external resources, including counseling services and additional support offered by HUD-approved housing counseling organizations, nonprofit organizations, and city agencies. This practice supports DCA's mission to assist communities in achieving growth and prosperity.

1.2.2 Property Eligibility

HRRP activities include rehabilitation, reconstruction, and replacement of eligible owner-occupied housing units.

Rehabilitation applies to non-emergency repairs or renovations affecting specific portions of a housing structure. Repairs must bring the property into compliance with federal, state, and local building codes and meet the program's minimum property standards. These standards align with HUD's Decent, Safe, and Sanitary (DSS) requirements and the HUD Green Building Retrofit Checklist, where applicable. Rehabilitation is permitted for stick-built and modular structures that are determined feasible for repair, as well as manufactured housing units (MHUs) that are less than five (5) years old and require no more than \$15,000 in repairs (including hard and soft costs). Rehabilitation projects are capped at \$100,000.

Reconstruction involves demolition and removal of an existing housing unit and construction of a new unit on the same lot and within the same footprint. The replacement structure must comply with the International Residential Codes (IRC) and the State Minimum Standard Codes. The total square footage of the new principal residence must not significantly exceed the original structure, though the number of rooms may be adjusted based on household size. Reconstruction projects are capped at \$280,000.

Replacement applies to MHUs that require demolition and removal due to disaster-related damage. If the damaged MHU was located on leased land, the homeowner may relocate to another site, subject to an environmental review of the new location. The homeowner must secure a lease agreement for the new location, and all replacement or relocation activities must be reasonable. Replacement projects are capped at \$280,000.

Flood Insurance Requirement

Properties located within a Special Flood Hazard Area (SFHA) must have flood insurance as a condition of receiving assistance from HRRP. This insurance must meet the coverage amount and duration specified by the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program (NFIP). According to Section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a), the purchase of flood insurance is mandatory for any HUD-assisted property within an SFHA. Failure to maintain flood insurance may disqualify the property from future federal disaster recovery assistance.

Some homes, such as those located in a SFHA, require the homeowner to maintain flood insurance. Under these circumstances, DCA will cover the cost of flood insurance on behalf of the applicant for the first year.

Eligible Repairs

HRRP funds may be used for repairs addressing unmet housing needs resulting from disasters. Additionally, the program may cover repairs necessary to bring structures into compliance with current building codes and increase resilience to future disasters. Eligible repairs include, but are not limited to:

- Roofs.
- Interior and exterior walls.
- Foundations.
- Structural framing and support components.
- Heating, Ventilation, and Air Conditioning (HVAC) systems, water heaters, water pumps, and associated systems.

- Interior flooring.
- Doors and windows.
- Electrical systems.
- Plumbing systems.
- Well and septic system repairs (if necessary).
- Interior and exterior finishes.
- Replacement of essential appliances (if applicable).
 - Stove.
 - Fridge.
 - Oven range hood.
 - Dishwasher.
- Americans with Disabilities Act (ADA) improvements, including accessible showers, ramps, and adapted cabinetry.
- Sidewalks and walkways provide access to the residence when necessary for safety.
- Required site work for rehabilitation.
- Debris and construction material disposal.
- Lead-based paint abatement.
- Asbestos abatement.

Ineligible repairs are noted in [Section 1.5.2](#) under Scope of Work Write-Up and Cost Estimate.

Additional Parameters

- Energy efficiency improvements that meet applicable zoning codes, DSS standards, or Housing Quality Standards (HQS).
- Resilience measures, such as elevation of major electrical components and roof reinforcement.
- Lead-based paint testing, mitigation, and stabilization.
- Asbestos testing, mitigation, and encapsulation.
- Mold remediation, when required.
- Compliance with Section 106 mitigation requirements as determined by the Georgia Historic Preservation Division.
- Accessibility modifications for persons with disabilities or elderly residents (age 62 or older), including widened doorways, ramps, and grab bars, subject to documentation of need.
- Ventilation improvements such as ceiling fans, window screens, and screen doors when missing or non-functional.
- Elevation requirements for homes in the 100-year floodplain that are substantially damaged, substantially improved, reconstructed, or replaced. The lowest finished floor must be elevated to the minimum requirement, as governed by the applicable Federal Register Notices.
- Inspection and potential replacement of electrical components, including service meters, wiring, and fixtures.
- Installation of smoke and carbon monoxide detectors in accordance with code requirements.

- Associated costs such as insurance, green building compliance, accessibility modifications, and connection to water and sewer utilities.

1.2.3 Expense Eligibility

Uniform Relocation Assistance (URA) Offered

Participation in HRRP is voluntary; therefore, homeowners are not classified as "displaced persons" under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and its implementing regulations at **49 CFR Part 24**. However, DCA recognizes that temporary relocation may be necessary during rehabilitation or reconstruction activities. In such cases, DCA will evaluate the need for temporary relocation assistance on an individual basis, considering factors such as the scope of work and the feasibility of the homeowner remaining in the residence during construction. For tenants residing in properties undergoing HRRP construction, temporary relocation assistance will be provided in accordance with the URA and HUD Handbook 1378.

Temporary Relocation Assistance (TRA)

HRRP activities must be planned and executed in a manner that minimizes disruption and displacement of owner-occupants. When rehabilitation, reconstruction, or replacement activities require homeowners to vacate their property temporarily, the program may provide TRA while their residence is uninhabitable during construction. Eligibility for TRA will be determined based on factors including the scope of repairs, estimated timeline, and alternative housing options available to the applicant. Any assistance provided under TRA will be compliant with applicable HUD regulations and program guidelines.

Lease Enforcement and Termination of Tenancy

The vendor is not a party to the tenant/landlord lease and will not intervene in tenant/landlord disputes. If the household is legally evicted for cause, the vendor will terminate assistance to the participant, and no further assistance for a replacement unit will be approved.

Eligibility

During the property inspection to develop the Scope of Work, an inspector will assess whether TRA is necessary during rehabilitation. TRA for reconstruction activities will be evaluated individually. For each applicant requesting TRA the vendor shall include a cost estimate for the length of TRA required for construction. The amounts shown should be based upon a cost reasonableness assessment of the county where the applicant resides. All TRA costs should be incorporated into the applicant's initial award calculation.

The start and end dates of TRA must be clearly stated. TRA should begin when construction starts, and applicants must be notified of the TRA end date in advance to allow sufficient time to transition out of the rental unit. Lease extensions should only be granted if delays are directly related to construction and not due to vendor or applicant-related issues. Applicants must receive notice at least 15 days prior to the lease end date. This Notice to Vacate will be issued in the form of a letter sent by the vendor.

Household income must be below one hundred-twenty (120) % of the AMI.

Temporary Relocation Assistance Duplication of Benefits (DOB)

HRRP will comply with the Robert T. Stafford Disaster Relief and Emergency Assistance Act (**42 U.S.C. 5121-5207**) as amended. This act prohibits any person, business concern, or other entity from receiving federal assistance to the extent such assistance duplicates benefit available to the person for the same purpose from another source. Any funds a household receive for temporary relocation assistance (including but not limited to private insurance, FEMA, or SBA assistance) must be accounted for when determining the total award amount. If the household spent funds intended for temporary relocation assistance on anything other than temporary relocation assistance, the homeowner will have a DOB and will be required to escrow the money prior to signing the lease. DOB under federal law, must be deducted from the assistance to be provided unless receipts can be shown that funds were used for temporary rent and that all funds have been expended for this purpose.

Temporary Relocation Assistance Expenses Not Pre-Approved

Temporary relocation expenses beyond the parameters outlined in this policy must be approved by DCA staff. Case-by-case determinations will be made after reviewing the reason for the request, justifying documentation, and cost reasonableness. Factors such as reasonable accommodation, lack of available resources, and unique circumstances will all be considered. Any claims for TRA submitted without documentation are ineligible for payment or reimbursement.

Temporary Relocation Assistance Appeals

Homeowners who wish to appeal a TRA decision should follow the standard appeals procedure for HRRP, which states that all appeals should be filed with a Case Manager.

Requirement to Notify DCA of Additional Assistance to Tenant

Any additional assistance received for the purpose of temporary relocation assistance while the tenant is receiving CDBG-DR rental assistance must be subrogated to HRRP. It is the responsibility of the tenant to report any such assistance to the program if receiving the additional funds. Upon notification of additional assistance, the vendor will recalculate continued assistance and/or possible repayment of CDBG-DR assistance. Any assistance not reported will require repayment to DCA on the applicant's behalf for the amount overpaid.

Moving Expenses

Moving expense allocations will adhere to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, following the Fixed Residential Moving Cost Schedule as outlined by the Federal Highway Administration. Receipts or paid invoices are not required for fixed moving payments. Applicants requiring assistance with moving may be eligible for support under Fixed Payment Moving Assistance – Section A. Assistance is based on the number of rooms in the dwelling, excluding bathrooms. The maximum allowable contribution for moving expenses is \$2,125. For reference, please see the Fixed Residential Moving Cost Schedule: https://www.fhwa.dot.gov/real_estate/uniform_act/relocation/moving_cost_schedule.cfm.

Homeowners must remove all items from the home by the date specified in the signed Construction Contract.

Monthly Rent

Temporarily displaced households are encouraged to stay with friends or relatives if the relocation period is short. Monthly housing unit costs must be determined using a cost reasonableness

assessment method, taking into consideration the average rental rates in the city/county of the applicant's residence. The vendor must ensure documentation supports all costs and is consistent with local market conditions.

All rental agreements must be in writing and approved by the vendor in advance to ensure terms and conditions are necessary, reasonable, and consistent with the anticipated construction duration outlined in the applicant's scope of work.

Rent for the temporary unit will be paid directly to the landlord based on the terms of the rental agreement.

Security deposits may be paid up to a maximum of one month's rent and will be paid directly to the landlord. An agreement should be made with the landlord to apply the security deposit toward the last month's rent or documented damages, if applicable. If a vendor receives a security deposit refund, it will be used for other eligible CDBG-DR costs incurred before drawing additional funds.

Utility deposits may be made in conjunction with temporary relocation assistance. Utilities include services required for water/sewer, cooking, heating, lighting, and trash collection. Telephone, internet, and cable/satellite TV are not considered utilities for this purpose. Utility deposits should be paid directly to the utility company. An agreement should be made with each utility company to apply the deposit toward the last month of service. If a vendor receives a refund, it will be used for other eligible CDBG-DR costs incurred before drawing additional funds.

Hotel Expenses

For short-term temporary relocation (defined as less than thirty (30) days) when staying with family or friends or entering a lease is not feasible, HRRP may reimburse hotel/motel expenses if they are necessary and reasonable. The vendor must obtain three (3) quotes for hotels/motels in the local area, the median of which will establish the ceiling for hotel/motel expenses to be reimbursed to the applicant. Paid invoices for all hotel/motel expenses must be documented by the vendor.

1.3 Eligibility Requirements and Verification Procedures

The following are threshold requirements that must be met for a homeowner to be eligible for assistance. Meeting these requirements does not guarantee CDBG-DR assistance. Threshold criteria will determine whether a homeowner can continue in the program or face disqualification.

1.3.1 Applicant Identity and Citizenship/Verification of Lawful Presence Requirement

Figure 6: Applicant Eligibility Threshold Criteria

Threshold Criteria	Threshold Requirement
Disaster Related Damage	The property must have unrepaired damages directly resulting from presidentially declared disasters.
Location	The damaged property must be situated within one of the HUD-identified Most Impacted and Distressed (MID) areas.
Proof of Ownership	The homeowner must provide evidence of ownership at the time the disaster occurred and current ownership.

Primary Residence	The damaged structure must have been the homeowner's primary place of residence at the time of the disaster.
Property Taxes	Property taxes must be current, or the homeowner must have an active payment plan in place.
Property Type	The property must be a single-family, owner-occupied structure or an owner-occupied mobile home/manufactured housing unit (MHU).
Non-Secondary Residence	The property must not serve as a second home.

Vendors are required to verify the identity of all applicants listed on the application. The program must confirm that the individual executing documents has the authority to do so and to provide information, allow access, and execute legally binding contracts and documents related to the property.

Only U.S. citizens and qualified aliens (e.g., legal permanent residents, refugees) are eligible to receive assistance under HRRP. An alien who is not a "qualified alien" as defined by the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 is not eligible for any federal public benefit.

Applications will be accepted during the published outreach period or until all funds have been committed. Additional intake periods may be opened later, depending on funding availability and the remaining unmet needs of disaster victims. Qualification for assistance will be certified by the vendor before committing any funds to an activity or beneficiary.

Verification Method

Figure 7: Documents to Verify Citizenship

If the applicant is a U.S. citizen, one of the following documents is required to verify citizenship:
Current or expired U.S. Passport or U.S. Passport Card matching the name on the application.
Current or expired State of Georgia Driver's License with Secure ID (Georgia Driver's License with a gold or black star symbol in the upper right corner) or Enhanced Non-Driver Photo ID Card.
Valid U.S. Birth Certificate.
Certificate of Naturalization.
Certificate of Citizenship

Per O.C.G.A. 50-36-1, at least one person on the application with an ownership interest in the property must demonstrate lawful presence in the United States.

If the applicant is a qualified alien, the applicant must provide an Alien Number, an I-94 Admission Number, or other acceptable documentation to facilitate a Systematic Alien Verification for

Entitlements (SAVE) screening. Vendors can obtain a screenshot from the SAVE database as proof of citizenship. The SAVE database is administered by the U.S. Citizenship and Immigration Services and available here: <https://www.uscis.gov/save/about-save/verificationprocess>.

1.3.2 Document Ownership Interest

Proof of ownership is necessary to meet the eligibility requirements of the program. The applicant should be able to provide ownership documentation in this regard.

Self-certification is also an acceptable method for determining ownership. Should the applicant choose this option, a title search with the Georgia Heirs Property Law Center, Inc. (GHPLC) must be conducted for verification. Other acceptable methods for documenting ownership are listed in Figure 8 below.

Figure 8: Acceptable Methods for Documenting Ownership

Acceptable Methods for Documenting Ownership Includes:
<ul style="list-style-type: none">• Deed - Must be obtained before or at the time of the disaster.• Title - Must be obtained before or at the time of the disaster.• Utility bills.• Letters from manufactured housing community owners or public official.• Court documents.• Mortgage documentation – Must be obtained at the time of the disaster.• Tax receipts – Must be obtained at the time of the disaster.• Home insurance – Must be obtained at the time of the disaster.• Home purchase contracts – Must be obtained prior to the disaster.• Will or affidavit heirship.• Receipts of major repairs completed prior to the disaster – May be reviewed and considered by DCA on a case-by-case basis.• Self Certification – A title search by GHPLC must be conducted if utilizing this option.

[This space is left intentionally blank.]

Title Search

Title searches may be conducted based on proof of ownership or if there is an issue obtaining requested documentation. Should questions arise regarding a clear, marketable title, contact GHPLC for guidance. Applicants unable to provide a clear title should be referred to GHPLC for assistance. DCA maintains an agreement with GHPLC for all title clearance matters, offering services at no cost to the applicant. Assistance is provided via a vendor agreement between DCA and the Center. These services are also undertaken as a mitigation-based measure to help alleviate the challenges relating to clouded titles.

Primary Residence

To be eligible for assistance, the storm-damaged property must have been the applicant's primary residence at the time of the disaster. A primary residence is defined as the home where the individual ordinarily lives most of the time. Second homes, vacation homes, and seasonal rental properties are not considered primary residences and are ineligible.

Vendor Responsibilities

The vendor is responsible for determining the following:

- The applicant owned the property or had an ownership interest at the time of the specified disasters.
- The applicant currently owns the property or holds an ownership interest, verifying their authority to execute necessary documents.
- All property owners are applying for program benefits.
- The applicant permits the vendor to contact their mortgage company regarding program participation.

Verification Method for Homeowners

Figure 9: Acceptable Documentation to Prove Primary Residency

Acceptable Documentation to Prove Primary Residency Includes:	For Documentation to be Valid, it Must:
<ul style="list-style-type: none"> • Proof of Homestead Exemption for the year of the disaster • Government-issued identification dated before the respective disaster dates • Voter registration card • Federal tax return or tax return transcript for the year of the disaster • Vehicle registration or renewal for the year of the disaster • Certificate of title for a vehicle issued in the year of the disaster • Receipt of government benefits (e.g., Social Security, Temporary Assistance to Needy Families (TANF), Medicare, Medicaid, Women, Infants, and Children (WIC), Supplemental Nutrition Assistance Program (SNAP), Unemployment Insurance) for at least one month during the six (6) months before or after the disaster • Utility bills (water, electric, gas) showing service for the six (6) months prior to the disaster, with usage consistent with primary residency • A letter from the utility service provider stating service was provided in the applicant's name for the six (6) months prior to the disaster, with usage consistent with a primary residence 	<ul style="list-style-type: none"> • Include the applicant's name • Be clearly dated • Display the address of the damaged property listed on the application

- | | |
|---|--|
| <ul style="list-style-type: none"> • Other documentation from a government or commercial source indicating the applicant resided at the address listed on the application as their primary residence on the date of the disaster | |
|---|--|

On a case-by-case basis, additional types of documentation may be considered for verification of primary residency, as requested by the vendor.

Verification Method for Tenants

HRRP is designed to assist single-family owner-occupied housing units. If a rental unit exists on the property, the homeowner must disclose this during application intake. Primary residency for properties containing rental units will be verified by the tenant providing proof of primary residency through one of the following methods:

- Rent history reflects the rent charged/received for the rental unit for the twelve (12)-month period prior to the eligibility period.
- Signed twelve (12)-month lease encompassing the dates of the related disaster.
- Proof of rent payment for the twelve (12) months prior to the eligibility period.

The tenant should also provide a signed certification acknowledging the property as their primary residence.

1.3.3 National Flood Insurance Program (NFIP) Coverage

Applicants who received flood disaster assistance, conditional upon obtaining and maintaining flood insurance through the NFIP or a qualifying private policy, must be determined to be in compliance with this requirement. If the property listed on the application was subject to this requirement and the owner failed to maintain the required flood insurance, the property is ineligible for rehabilitation or reconstruction assistance.

Verification Method

DCA utilizes a data-sharing agreement with HUD to identify applicants who are non-compliant with flood insurance requirements. If this data is unavailable, a property's eligibility or ineligibility for FEMA structural benefits, as determined by FEMA, will serve as evidence of compliance or noncompliance for properties that were the subject of a FEMA application for the related disasters.

For properties not subject to a FEMA application, the vendor may verify compliance by providing documentation showing the property was covered by a flood insurance policy at the time of the disaster. Eligibility may also be verified if an applicant certifies that the property which is the object of the application was not subject to this requirement.

1.3.4 Unrepaired Qualifying Storm Damage

To be eligible for assistance, the property must have sustained damage directly resulting from a qualifying disaster as noted in an Allocation Announcement Notice (AAN) appropriated by Congress and be located in a HUD or State-identified MID. Damage exacerbated by subsequent storms is eligible if it can be directly tied to one of these specified disasters. At the time of application intake, the property must exhibit at least \$3,500 in unrepaired storm damage. While FEMA data serves as one method to verify disaster-related damage, registration with FEMA's Individual Assistance (IA) program is not mandatory for participation in HRRP.

Verification Method

Acceptable documentation includes award letters from FEMA, the Small Business Administration (SBA), or insurance providers that substantiate qualifying disaster damage. If such assistance is not received, applicants may request a damage assessment conducted by the vendor or an authorized contractor. This assessment should include photographs and a detailed report of the damage. In cases where the assessment does not conclusively attribute damage to the specified disasters, alternative evidence—such as neighborhood-level media reports or documentation from disaster response organizations—may be considered on a case-by-case basis.

If there is ambiguity regarding whether the unrepaired damage resulted from the qualifying storms or from deferred maintenance, the vendor will evaluate the case to determine eligibility. Should deferred maintenance be identified, but other disaster-related damages are present, the vendor may include necessary repairs in the scope of work to ensure the home meets HQS.

A denial of FEMA assistance does not automatically disqualify an applicant from HRRP assistance. HRRP prohibits using FEMA denial as the sole basis for ineligibility, provided damages can be linked to the qualifying disasters.

1.3.5 Income Eligibility

HRRP serves households with incomes at or below one-hundred-twenty (120) % of the AMI, with priority given to those at or below eighty (80) % AMI. Income calculations encompass the annual adjusted gross income (AGI) of all adult household members, including earnings and in-kind sources such as Social Security and pensions.

Verification Method

Applicants are required to provide a signed copy of the most recently filed IRS tax return (Form 1040) for all household members aged eighteen (18) and over. If a household member did not file a tax return, alternative documentation reflecting current income must be submitted. Acceptable forms of documentation include:

Figure 10: Verification Method

Wages	Recent pay stubs covering up to thirty (30) days prior to the application date.
Retirement/Social Security	Current benefit letters or prior year 1099 forms.
Rental Income	Current lease agreements.
Unemployment Benefits	Current benefit letters indicating gross benefit amounts.
Alimony/Spousal Maintenance	Court order documentation.
Taxable Interest and Dividends	Most recent statements or prior year 1099 forms.

Annual income will be calculated by averaging the gross income from the documents provided and projecting it over a twelve (12)-month period. Income verifications are valid for one (1) year; if a grant agreement is not executed within this timeframe, income must be re-verified. Re-verification is not required once a grant agreement is executed within the one-year validity period.

These updates are designed to align with the latest HUD guidelines and DCA's commitment to fostering thriving communities.

1.3.6 Location Determination for Eligible Communities

Properties must be located within HUD and State-designated Most Impacted and Distressed (MID) areas to qualify for assistance. The current MID areas include specific counties and zip codes identified by HUD based on disaster impact assessments.

Verification Method

Case managers will verify property eligibility by consulting the latest HUD and State-designated MID areas, which are outlined in applicable DCA CDBG-DR Action Plans. This ensures that assistance is directed to areas with the most significant unmet recovery needs.

1.3.7 Eligible Structures

Eligible structures for HRRP include:

- Single-family, site-built residential units.
- Modular homes.
- Manufactured housing units (MHUs).

Attached structures are eligible if they share a common roof with the primary residential unit and are permanently affixed. A residential housing unit is defined as a structure meeting local criterion, containing at least one bedroom and one bathroom, and having a separate exterior entrance.

Verification Method

Vendors will confirm the structure type through local tax assessor databases and on-site assessments. The damage assessment will document:

- Number of residential units.
- Presence of non-residential units.
- Whether the structure is solely commercial.
- If the structure is a recreational vehicle or similar mobile unit.

1.3.8 Ineligible Structures

HRRP does not provide assistance for:

- Commercial properties.
- Properties used for both residential and commercial purposes.
- Detached garages, sheds, and other non-residential outbuildings.
- Recreational vehicles, camper trailers, and houseboats.
- Second homes, seasonal, short-term, or vacation rental properties.

- Units in areas where federal assistance is prohibited, such as floodways or airport runway clear zones.

1.3.9 Conditionally Eligible Structures

HRRP may consider assistance for the following on a case-by-case basis:

- Condominiums, townhomes, and other owner-occupied units with shared walls or roofs.
- Duplexes.

If Homeowner Association (HOA) approval is required, the contractor and construction manager will coordinate with the HOA before starting construction.

1.3.10 Death of an Eligible Owner-Occupant

If the owner-occupant of a property eligible at the time of the disaster has passed away, the property may still qualify for assistance if inherited by an immediate family member. Each situation will be evaluated individually to determine eligibility.

1.3.11 Foreclosure

Properties that are in foreclosure, resulting in the original homeowner losing ownership, are ineligible for assistance under HRRP.

1.4 Application Intake

The vendor is responsible for establishing intake centers staffed with case managers to assist homeowners throughout the application process. Case managers will create applications on behalf of homeowners ensuring that all provided information and required documents are accurately entered and uploaded. Any changes to the documentation should be clearly noted in the case management notes section of the application. Only HRRP applications, including all supporting documentation, will be considered for funding. Homeowners who have previously applied for disaster recovery assistance through other organizations or agencies must submit an official HRRP application.

Each household is limited to one application, and duplicate applications will be closed to maintain a single active application per property address. Assistance is not guaranteed; applicants will be served based on fund availability and qualification criteria. Applications will be accepted during the designated outreach period or until all funds are committed. Additional intake periods may be opened depending on funding availability and the remaining unmet needs of disaster victims. Eligibility for assistance will be certified by the vendor prior to any fund commitment.

1.4.1 Application Priority Schedule

Due to funding constraints, priority will be determined based on what is outlined in applicable CDBG-DR Action Plans. Action Plans are available to view on DCA's website.

1.4.2 Timeliness of Application Status

DCA and its vendors will maintain timely communication with applicants regarding the status of their disaster recovery assistance applications. Multiple communication methods, such as website

updates, email, mail, phone calls, or other means, will be utilized to provide applicants with timely information at all phases, including application status and when the application period begins. The agency's website will also feature the quarter when DCA will open application intake for HRRP. In addition, DCA will provide information on which applications are under review, approved/denied, and any other status update deemed relevant by DCA. Applicants will select a communication preference during intake. Vendors will ensure the accessibility and privacy of individualized information for all applicants, provide frequent status updates, and designate personnel responsible for applicant information. At any given time, vendors must be able to provide applicants with information related to the status of their application, any required documents or forms, and address questions related to the application.

Applicants should be provided with status updates on their application at least every 30 days. If there are any delays or changes in the application process, applicants must be notified within 7 business days of the program becoming aware of the delay. This ensures transparency and helps manage applicants' expectations throughout the process.

1.4.3 Applicant Responsiveness

Applicants are required to provide the requested information and materials within 30 calendar days during the application process. If an extension, clarification, or assistance is needed, applicants must request it within this timeframe. Failure to respond may result in the application being placed on hold until the necessary information is provided.

Applicants can appeal an "unresponsive" classification once. If the appeal leads to reactivation, subsequent closures due to unresponsiveness cannot be appealed. Appeals should be handled at the case manager or vendor level.

Exceptions to this policy may be considered for title defects or the death or illness of an applicant.

1.4.4 Communication Designee

Applicants may authorize a "Communication Designee" to discuss program requirements and application status. This designee cannot alter or execute documents or make decisions on behalf of the applicant. Status updates can be requested in person, via telephone, email, or postal mail. To designate a Communication Designee, the applicant must create a Unique ID (4-digit code) for identity verification. Applicants can revoke this designation at any time in writing.

Contact Procedures

If an applicant does not respond to three consecutive phone calls and written requests within the program's specified timeframe, the application will be classified as "unresponsive" and may be closed. Before closing an application, all contact methods (mail, email, phone) should be utilized.

1.4.5 Power of Attorney

Applicants may authorize individuals through a legally executed State of Georgia Statutory Form Power of Attorney to submit and/or execute program application and eligibility documents and to amend such documents. The designated individual may also make decisions related to program participation and benefits, including withdrawing the application. Applicants can revoke the Power

of Attorney at any time in writing. Case Managers will provide homeowners with the appropriate State of Georgia form.

1.4.6 Reasonable Accommodations:

Vendors will provide reasonable accommodations to applicants with disabilities. It is DCA's policy to use construction standards for accessibility for individuals with mobility impairments, within the scope of the program's construction activity on each project, where the need for such accessibility by a household living in the structure is documented.

Vendors must make reasonable modifications to policies, practices, or procedures when necessary to avoid discrimination on the basis of disability and to provide meaningful access to programs, benefits, and facilities, except where the provision of an accommodation/modification would fundamentally alter the nature of the program, service, or activity.

1.4.7 Voluntary Application Withdrawal

Homeowners are not guaranteed assistance and will be served based on the availability of funds and qualifications for benefits. Applications will only be accepted during the published outreach period or until all funds have been committed. Additional intake periods may be opened later depending on funding availability and the remaining unmet needs of disaster victims. Qualification for assistance will be certified by the vendor before the commitment of any funds to an activity or beneficiary.

All voluntary application withdrawals must be adequately documented in the case management notes. Information should include whether the applicant signed a withdrawal letter or otherwise provided written documentation of the intended withdrawal. If no written documentation is available, clear notes on telephone contact should be written, including the date of the call and, if provided, the reason for voluntary withdrawal.

1.4.8 Application Termination

The vendor may terminate an application if the applicant fails to participate in the program or fails to respond to a request for information or documentation. The applicant must be provided with written notice of the failure to participate or respond, and could cure the defect within the period specified in the written notice.

[This space is left intentionally blank.]

1.4.9 Additional Required Forms

Additional HRRP required forms, application closure steps, and Temporary Relocation Assistance Checklist are listed below.

CDBG-DR HRRP Required Forms

The following section outlines the essential forms and procedural steps required for the effective management and closure of applications within the CDBG-DR program. This comprehensive guide is designed to ensure that all necessary documentation is accurately completed and submitted, facilitating a streamlined process for both applicants and case managers.

Required Forms

- Acknowledgement of Subrogation Requirement.
- Acknowledgement of Truth.
- Additional Homeowner Listed on Deed.
- Additional Household Members.
- Affidavit of No Insurance.
- Affidavit of One and the Same Name.
- Appeal Form.
- Appeals and Complaint Acknowledgement.
- Application Approval Notice.
- Communication Designee Information.
- Conflict of Interest Disclosure.
- Contractor List.
- Declaration of Lawful Presence.
- Duplication of Benefits (DOB) Calculation.
- Duplication of Benefits (DOB) Certification.
- Electronic Capture.
- Lead Based Paint Acknowledgement.
- Non-debarment Verification.
- Notice of Inspection.
- Photo-Video Release Form.
- Power of Attorney.
- Reimbursement or Indemnification Acknowledgement.
- Release of Information to Third Parties.
- Rent Roll.
- Right of Entry Permit.
- Stop Work Notice.
- Survey.
- Temporary Relocation Assistance (TRA) Checklist.
- Thank You Letter.
- Voluntary Program Notice.
- Zero Income Affidavit.

Application Closure Steps

Step 1	Request needed additional documents or information from applicant on the date of intake. Allow the applicant thirty calendar days to submit this information to the case manager.
Step 2	If the applicant does not submit the necessary documentation and information by the 30-day deadline, the case manager will contact the applicant via both telephone and email on the 31st day. The case manager should allow the applicant two business days to return the communication.
Step 3	If the applicant does not respond to the contact attempt from the case manager, the case manager will attempt contact again, via telephone and email, five business days following the initial communication attempt. The applicant should again be allowed two business days to respond.
Step 4	If five business days from the second contact attempt has passed without response from the applicant, program leadership will mail a physical letter to the applicant's mailing address on file, detailing that no response has been received for the homeowner regarding his or her application. This letter should contain a deadline of two weeks or ten business days for the applicant to contact the case manager. Additionally, the letter should explain that the application for the homeowner will be closed if no further contact is received by the deadline.
Step 5	When the case manager has received no contact from the applicant in the timeframe established by Step 4, the case manager, with subrecipient/vendor leadership approval, may close the application.

Temporary Relocation Assistance Checklist

Required

Formal written request. Request must include details of the need for temporary relocation, estimated timeframe of assistance needed, be placed on subrecipient letterhead, and contain the signature of an authorized representative from the subrecipient.

Supporting Documentation. Supporting documentation may include evaluation that home is not decent, safe, or sanitary and constitutes imminent danger to household members health or safety, contractor determination that move-out will be required for rehabilitation or reconstruction of the property, etc.

Verification of Fair Market Rent. Fair Market Rent can be determined by using the Small Area Fair Market Rents located at <https://www.huduser.gov/portal/datasets/fmr/smallarea/index.html> or Fair Market Rents by county located at. Once a subrecipient has selected the type of Fair Market Rent will be utilized change to the other type is not allowed. Housing units that exceed Fair Market Rent amounts are ineligible for assistance.

Georgia South Utility Allowance form. The Georgia South Utility Allowance form provides the verification of utility allowance amount that must be used to calculate Fair Market Rent. When combined with the monthly rent amount this cannot exceed the Fair Market Rent for either the Small

Area or County limits. Housing units that exceed the Fair Market Rent amounts are ineligible for assistance.

DOB Calculation form. The DOB calculation form should be labeled for Temporary Relocation Assistance and include only those amounts of potentially duplicative assistance that may have been received for other relocation services since the date of the disaster. This includes but is not limited to assistance from FEMA, SBA, private insurance, and/or philanthropical organizations.

Optional

Other Supporting Documentation. This can include any documentation to support the request, including leases, utility letters indicating amounts for deposits, etc. For assistance when completing a request for temporary relocation assistance please contact the CDBG-DR Project Specialist at CDBG-DR@dca.ga.gov.

1.5 Pre-Construction

1.5.1 Property Inspection

The inspector must first verify that the applicant's home sustained damage from one of the eligible storms. A comprehensive site inspection will be conducted to assess the work required to meet state and local codes and HRRP standards. In alignment with HUD policy, the vendor is required to utilize a property inspection form that captures the necessary work to comply with the selected property standards. This form serves as a baseline to determine if a housing unit is decent, safe, and sanitary. The inspector will identify the scope of rehabilitation needed to address the property's physical deficiencies. The vendor must adhere to the property standard requirements outlined in **24 CFR § 92.251** concerning homeowner rehabilitation. The chosen inspection form should align with the applicable codes and property standards relevant to each property and must also document any unrepaired storm damage.

During this inspection, the homeowner will be asked to sign a release form permitting the inspector to take photographs of the property. The inspector should capture both exterior and interior images, which may be necessary for historic preservation review. Before and after photographs are also beneficial for both the vendor and DCA when reviewing reconstruction requests. Additionally, the vendor and DCA may use these images for program outreach, publicity, and training purposes. An optional release form allowing the use of these photographs will be presented to the homeowner, accompanied by an explanation of potential uses.

Property Standards

The vendor must specify which of the allowable property standards HRRP-assisted homeowner rehabilitation projects will meet upon completion.

Figure 11: Allowable Property Standards

Contractors have the option to rehabilitate a single-family HRRP-assisted home in accordance with:
The International Residential Code.
The FHA Minimum Property Standards at 24 CFR § 200.926 .
The State of Georgia's locally adopted International Existing Building Code.

Figure 12: Minimum Standards to Meet in Absence of Local Rehabilitation Codes

In the absence of local rehabilitation codes, HRRP projects are required to meet one of the following standards:
The International Residential Code for One- and Two-Family Dwellings.
The International Property Maintenance Code (if locally adopted).
The Minimum Property Standards (MPS) as specified in 24 CFR § 200.926 .

It is important to note that the FHA Minimum Property Standards (MPS) in **24 CFR § 200.926** are no longer maintained by HUD as separate standards. Instead, HUD has accepted model building codes, including over two-hundred-fifty (250) referenced standards and local building codes, with additional durability requirements.

Unsafe Dwellings

If a home is unsafe to enter due to structural integrity issues, infestation, or other safety or security concerns, an interior inspection will not be performed. In such cases, an exterior-only assessment will be conducted.

Vacant Lot Assessment

Assessments for vacant lots where the home was demolished or destroyed must include an estimate of the home's square footage. Vendors should attempt to obtain documents with pertinent information, including property records that display the exact location of the demolished or destroyed home.

1.5.2 Scope of Work Write-Up and Cost Estimate

The vendor is responsible for developing a detailed work write-up to determine the estimated cost of each item listed in the Scope of Work Estimate and the corresponding Estimated Cost of Repair while thoroughly assessing the home.

To minimize the number of change orders during construction, the detailed work write-up—outlining each item in the scope of work and its associated cost estimate—must be prepared and finalized prior to the pre-construction conference.

During the pre-construction conference, the scope of work and cost estimates should be thoroughly reviewed and confirmed by all parties involved, including the homeowner. This ensures a shared understanding of the project requirements and costs before construction begins, reducing the likelihood of changes and delays during the construction stage.

The work write-up and cost estimate must be reviewed with the homeowner. Homeowners should be informed of the identified deficiencies and understand which issues can and cannot be addressed with HRRP funding. It is essential to remind the homeowner of the program's rules and policies regarding allowable work at the outset of developing the work write-up and cost estimate. Once the vendor and the homeowner have agreed on the final work write-up, a copy (excluding cost estimates) should be provided. This version, without line-item cost estimates, will serve as the work specifications when the project is put out for bid.

As part of an initiative to increase the resiliency of homes, each household participating in HRRP will have a fortified roof installed. This feature should be incorporated in the scope of work write-up and cost estimate. Fortified roofs typically include an enhanced roof deck attachment, sealed roof deck, locked down roof edges, impact-resistant shingles, and wind and rain-resistant attic vents as part of the national standard for resilience.

A sample work write-up includes the following components:

- Property standards.
- Inspection report.
- Work write-up and cost estimate for each item.
- Technical specifications.

Meeting the Georgia Construction Codes

The State of Georgia has adopted twelve (12) state minimum standard codes, nine (9) of which are mandatory. Five (5) of these codes apply to all residential construction:

- National Electric Code (NFPA 70).
- International Residential Code for One (1)- and Two (2)-Family Dwellings.
- International Energy Conservation Code (IECC).
- International Plumbing Code.
- International Swimming Pool and Spa Code.

HRRP projects must comply with the property or sanitary standards outlined in the International Residential Code for One (1)- and Two (2)-Family Dwellings; the International Property Maintenance Code (if locally adopted); or the Minimum Property Standards (MPS) in **24 CFR § 200.926**. All HRRP rehabilitation activities must adhere to the provisions of the five (5) mandatory codes, as applicable.

Incorporating Historic Preservation Results in the Final Work Write-Up

When planning to rehabilitate potentially historic housing (any property fifty (50) years or older), the Georgia Historic Preservation Division must be consulted. This division may require the incorporation of specific building standards into the work write-up.

If a vendor's approved historic preservation professional determines that a home slated for rehabilitation qualifies as a historic property, consultation with the Georgia Historic Preservation

Division is mandatory. The division may mandate the inclusion of certain building standards in the work write-up.

Incorporating Lead-Based Paint Requirements in Separate Work Write-Up

For dwellings constructed before January 1, 1978, a lead-based paint inspection is mandatory for all rehabilitation projects, unless the property qualifies for an exemption. This inspection should be conducted, and a corresponding work write-up prepared. The lead-based paint work write-up and cost estimate should be integrated with the regular work write-up and cost estimate in preparation for bidding. The vendor must ensure that duplicative work items, such as replacing deteriorated windows containing lead-based paint, are not included in both the regular rehabilitation and lead-based paint work write-ups.

If lead-based paint is detected, a risk assessment should be conducted during the inspection, as required by the level of federal assistance. The vendor should utilize the risk assessment report to determine the most effective methods for mitigating identified hazards. For units receiving federal assistance between \$5,000 and \$25,000, interim controls are an acceptable method for lead hazard control. For assistance exceeding \$25,000, abatement is required. It is crucial for the vendor to have a thorough understanding of the procedures involved in this process to effectively create lead-safe housing. In all instances where lead-based paint is present, clearance requirements must be satisfied. Technical assistance is available through DCA.

Types of housing exempt from lead-based paint requirements include:

- Properties certified as free of lead-based paint by a qualified inspector.
- Properties where all lead-based paint has been removed.

Figure 13: HUD Lead-Based Paint Hazard Reduction Requirements (24 CFR 35)

Requirements	<\$5,000	\$5,000 - \$25,000	>\$25,000
Approach to Lead Hazard Evaluation & Reduction	Do No Harm	Identify & Control Lead Hazards	Identify & Debate Lead Hazards
Notification	Yes	Yes	Yes
Lead Hazard Evaluation	<ul style="list-style-type: none"> • Paint Testing • Safe Workspaces • Clearance of Worksite 	<ul style="list-style-type: none"> • Paint Testing • Risk Assessment • Safe Workspaces • Clearance of Unit 	<ul style="list-style-type: none"> • Safe Workspaces • Clearance of Unit
Ongoing Maintenance	No	No	No
Options	<ul style="list-style-type: none"> • Presume Lead based Paint 	Use Standards Treatments	Abate all Applicable Surfaces

	<ul style="list-style-type: none"> • Use Safe Work Practices on All Surfaces 		
--	---	--	--

Incorporating HRRP Requirements for Floodplain Management into Work Write-Up

HUD regulations at **24 CFR Part 55** aim to minimize development within floodplains. As part of the environmental review process, vendors must document compliance with these regulations. For properties located within FEMA-designated floodplains, any special construction requirements imposed by FEMA or local ordinances should be reviewed with the Georgia Department of Natural Resources before construction commences. These specific requirements must be incorporated into the work write-up.

Incorporating Elevation into the Work Write-Up

For homes situated in the one hundred (100)-year floodplain undergoing substantial improvement—which includes reconstruction, rehabilitation, or replacement—elevation must be considered. A cost feasibility analysis should be conducted to determine the most effective solution, which may involve elevation, acquisition, or relocating the structure. If elevation is deemed the most viable option, the lowest finished floor must be elevated to at least two (2) feet above the base flood elevation (BFE). All National Flood Insurance Program (NFIP) requirements and applicable building codes must be followed.

The total cost for rehabilitating a property, including elevation expenses, must not exceed \$100,000. For reconstruction projects, the cap remains at \$280,000, inclusive of elevation costs.

Elevation can be achieved through various methods, such as elevating on continuous foundation walls or using open foundations like piles, piers, or columns. Contractors must design foundations to adequately support all the loads and ensure proper connection to the floor structure above. Utilities should also be appropriately elevated. All elevation activities must precede any rehabilitation, reconstruction, or replacement work and comply with relevant state and local building codes.

Elevating existing decks, porches, or stairs, or constructing new stairs is permissible based on ingress and egress requirements.

For homeowners or household members with disabilities, the program will fund necessary access modifications to comply with code requirements. Homeowners should indicate any disabilities and submit a Request for Reasonable Accommodation during the application process; these needs will be addressed with their case manager. If a ramp is required for home access, it should be designed to meet federal standards for slope and width. Additional costs associated with approved Reasonable Accommodations will not count toward the established cost caps.

All elevation-related information, including anticipated costs, should be detailed in the work write-up. Any issues not covered in this section will be evaluated on a case-by-case basis.

Incorporating Standard Amenities in Work Write-Up

The program provides standard, basic amenities to render a home decent, safe, and sanitary. All improvements will be evaluated for compliance with HQS using HUD Form 52580 and local building

codes. Standard appliances that are non-functional at the time of inspection, such as refrigerators, stoves, and ovens, may be replaced. Replacement appliances will be of standard quality, not luxury, and will be EnergyStar® rated when available.

[This space is left intentionally blank.]

Elements Excluded from the Cost Estimate

The following items are excluded from the cost estimate unless specifically approved by DCA. This list is not exhaustive. For questions regarding repair eligibility, consult DCA.

- Repair or replacement of detached structures such as sheds, garages, swimming pools, decks, docks, or boat ramps.
- Replacement of special features, trims, and designer elements exceeding basic livability requirements and standard-grade home features, such as solar panels, skylights, wainscoting, wood paneling, hot tubs, and copper gutters, unless damage to these items presents a health or safety hazard (in which case they will be replaced with program-standard materials) or are determined to be protected historic features.
- Repair or replacement of fencing or security systems.
- Luxury items, including but not limited to granite or other high-end countertops, washing machines, dryers, high-end appliances, stone flooring, garage door openers, security systems, swimming pools, fences, and television satellite dishes, are not eligible under HRRP.

[This space is left intentionally blank.]

Eligible and Ineligible Appliances

The following list defines eligible and ineligible appliances under the HRRP program.

Eligible Appliances:

- Stove / Range
- Refrigerator
- Dishwasher
- Microwave (only if built-in or included in the standard kitchen package)
- Garbage Disposal (standard kitchen fixture)
- Range Hood / Exhaust Fan (standard kitchen fixture)
- Water Heater (essential for habitability; sometimes categorized separately)
- Rehabilitation: Eligible only if already present in the home
- Reconstruction: Eligible only if included in the standard housing design

Ineligible Appliances:

- Washer
- Dryer
- Freezers (separate from refrigerator)
- Wine Coolers or Beverage Centers
- Ice Makers (standalone units)
- Luxury or specialty kitchen appliances (e.g., double ovens, built-in coffee machines)
- Home entertainment equipment (e.g., televisions, sound systems)

Additional Notes

The Fortified Roof is eligible as part of structural improvements during reconstruction or rehabilitation to meet program and state standards in Georgia.

All appliances must be reasonable, necessary, and comply with local codes and program requirements.

This list serves as guidance; any exceptions must be documented and approved by program management.

1.5.3 Environmental Review

Overview

The purpose of the environmental review process is to analyze the effect a proposed activity will have on the people and the natural environment within a designated target area and the effect the material and social environment may have on an activity.

Depending on the activity and form of implementation being used, the vendor is considered the responsible entity and must complete an environmental review of all project activities prior to obligating CDBG-DR funds. This requirement also applies to projects funded with CDBG-DR generated program income. HUD rules and regulations that govern the environmental review process can be found in **24 CFR Part 58**.

There are many federal and state environmental protection laws and regulations to consider when planning and implementing CDBG-DR funded projects (refer to [Appendix A](#) for an extensive list of applicable laws and regulations). It is important to note that compliance is often required for all funding sources, public and private, and for all components of an entire project. Applicants must comply with the **National Environmental Policies Act of 1969** (“NEPA”) and HUD regulations implementing NEPA titled, **“Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities” (24 CFR Part 58)**.

All CDBG-DR activities must take certain actions to comply with this regulation before committing funds for any activities that involve choice-limiting actions. A choice-limiting action is any action in which HUD funds are expended or committed for activities that reduce or eliminate the ability to choose alternatives.

Tiered Environmental Review

To complete the Environmental Review process in an efficient manner, DCA utilizes the tiered environmental review approach for certain activities, such as HRRP. The goal of tiering is to eliminate repetitive discussions of the same issues and focus on actual issues ripe for decision at each level of environmental review. A tiered review consists of two stages: a broad-level review and subsequent site-specific reviews. The broad-level review should identify and evaluate the issues that can be fully addressed and resolved, notwithstanding possible limited knowledge of the project. In addition, it must establish standards, constraints, and processes to be followed in the site-specific reviews. As individual sites are selected for review, the site-specific reviews evaluate the remaining issues based on the policies established in the broad-level review. Together, the broad-level review and all site-specific reviews will collectively comprise a complete environmental review addressing all required elements. The goal of tiering is to eliminate repetitive discussions of the same issues and to focus on the actual issues ripe for decision at each level of environmental review.

DCA staff will conduct a desk review a minimum of 20 percent of all Tier 2 Environmental Reviews submissions for HRRP; this review will determine if the requirements of the Tier 2 review have been met and will be documented on the “CDBG-DR HRRP Tier II Reviews - Acceptable Compliance Documentation” form and signed by the CDBG-DR Monitoring and Compliance Specialist or other designated DCA staff member. All forms will remain part of the application record. Consistent problems with the submitted Tier II environmental reviews may result in DCA providing Technical Assistance.

Figure 14 provides descriptions of activities conducted in each of the tiers and who is the entity responsible.

Figure 14: Tiered Environmental Review

Broad-Level Review (Tier 1)	
Responsible Entity	DCA
Description	DCA develops the broad-level review through the use of a vendor/subcontractor for the Homeowner Rehabilitation and Reconstruction Program. During this process, DCA identifies and evaluates issues that can be fully addressed and resolved, even with limited knowledge of the activity. For example, if the entire activity area is outside the floodplain and in a county without a coastline, the broad-level review may find that the project complies with the Coastal Barrier Resources Act, the Coastal Zone Management Act, the Flood Disaster Protection Act, and Executive Order 11988 on Floodplain Management. DCA also establishes procedures to be followed in site-specific reviews when compliance cannot be determined in the Tier 1 review. Following the broad-level review, DCA publishes a Notice of Intent to Request the Release of Funds (NOI/RROF). After the public comment and objection periods, DCA formally requests the release of funds from HUD.
Site-Specific Level Review (Tier 2)	
Responsible Entity	Vendor or Subcontractor
Description	After identifying the site of an individual activity, the vendor or its qualified contractor completes the site-specific review. This review does not repeat the analysis and decisions of the Tier 1 review but focuses on unresolved issues, using the protocols established in the Tier 2 strategy. The site-specific review must determine and document the project's adherence to all established protocols and remaining requirements defined in the broad-level review.

If a particular site-specific activity does not conform to the limits established in the broad-level review, a new environmental review, separate from the tiered review, is required. For example, sites outside the defined geographic boundaries, not fitting within the defined protocols for a particular law or authority or involving activities not part of the project description for the broad-level review will require a new environmental review.

Together, the broad-level review and all site-specific reviews comprise a complete environmental review record. A Tiered Environmental Review Record (ERR) is defined at **24 CFR Part 58.15**.

All parts of the tiered environmental review must be completed before committing funds to the project (**24 CFR Part 58.22**). This means the local government should not commit or spend HUD or non-HUD funds on physical or choice-limiting actions, including not limited to, acquiring property or entering into a contract, until the ERR process is completed.

For questions regarding the environmental review process, contact CDBG-DR program staff at: CDBG-DRER@dca.ga.gov.

Repair, Reconstruction, or Demolition Activities Prior to Environmental Review

In accordance with HUD requirements, applicants must cease all demolition, repair, and reconstruction activities upon application submission and until the federally required environmental review is complete. Following the environmental review, applicants should not resume construction activities until advised. Applicants who perform permanent home repairs before authorization may be deemed ineligible for assistance. Applicants who demolish their home before authorization may also be deemed ineligible for assistance.

DCA will review applicant eligibility in cases where repair or reconstruction activities were performed after the inspection and may consider relevant exigent circumstances if verifiable and warranted.

1.5.4 Sample Notice of Intent to Request a Release of Funds (Concurrent Notice)

The language below is HUD's recommended wording of the Notice of Intent to Request a Release of Funds (Concurrent Notice). This Notice is used to request the environmental release of funds for Categorically Excluded projects [**24 CFR Part 58, Section 58.35(a)**] or for projects for which a Notice of Finding of No Significant Impact was previously issued.

Words in bold type are required language. *Words in italics* are to be replaced by language appropriate to the particular project and Responsible Entity. The minimum comment period is seven days following publication or ten days if posting and mailing without publication is used.

NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

Date of Notice

Name of Responsible Entity [RE]

Address (e.g., Street No. or P.O. Box)

City, State, Zip Code

Telephone Number of RE

On or about *at least one day after the end of the comment period* **the** *name of RE* **will** *if the RE is not also the grant recipient, insert the following language here: "authorize the [name of grant recipient] to"* **submit a request to the HUD/State administering agency for the release of** *name of grant program* **funds under Title/Section [] of the** *name of the Act of [year], as amended,* **to undertake a project known as** *project title* **for the purpose of** *nature/scope of project, estimated funding (include non-HUD funding sources if applicable) and project location if applicable.*

The activities proposed *alternative #1: are categorically excluded under HUD regulations at 24 CFR Part 58 from National Environmental Policy Act (NEPA) requirements or alternative #2: comprise a project for which a Finding of No Significant Impact on the environment was*

[published/posted] on [date of Finding publication/posting]. An Environmental Review Record (ERR) that documents the environmental determinations for this project is on file at name and address of RE office where ERR can be examined and name and address of other locations where the record is available for review and may be examined or copied weekdays __A.M to __P.M.

PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the RE designated office responsible for receiving and responding to comments. All comments received by if notice is published: notice date plus seven days; if notice is mailed and posted: mailing and posting date plus ten days will be considered by the name of RE prior to authorizing submission of a request for release of funds.

ENVIRONMENTAL CERTIFICATION

The name of RE certifies to HUD/State that name of Certifying Officer in his/her capacity as Official Title consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's State's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the name of grant recipient to use Program funds.

OBJECTIONS TO RELEASE OF FUNDS

HUD/State will accept objections to its release of fund and the RE's certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the name of RE; (b) the RE has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by HUD/State; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to HUD/State administration office at address of that office. Potential objectors should contact HUD/State to verify the actual last day of the objection period.

Name and Title of RE Certifying Officer

Note: The seven or ten-day public comment periods are the minimum time periods required by regulation prior to submission of a Request for Release of Funds and Certification [form HUD-7015.15] to HUD/State. The Responsible Entity may choose to allow a longer comment period. The fifteen-day objection period following submission of the request is a statutory requirement. The objection period follows the submission date specified in the Notice or the actual date of receipt by HUD/State, whichever is later.

Following completion of the comment period, vendors may FAX the form HUD-7015.15 to HUD/State together with a copy of the public notice and a cover letter stating whether comments were received and, if so, how the vendor responded to the comment. The Request for Release of Funds and Certification should not be submitted before the recipient has

responded. If the request is sent by FAX, the original signed form should be mailed to HUD/State. The date of receipt by FAX will be counted as the submission date. However, HUD will not issue the 7015.16 “Authority to Use Grant Funds” until after the original signed form is received.

Sample Notice of Finding of No Significant Impact and Notice of Intent to Request a Release of Fun

Sample Notice of Finding of No Significant Impact and Notice of Intent to Request a Release of Funds

The language below is HUD’s recommended wording of the combined Notice of Finding of No Significant Impact and Notice of Intent to Request a Release of Funds. This Notice is used for projects requiring an Environmental Assessment (24 CFR Part 58, Section 58.36). Words in **bold type** are required language. Words in *italics* are to be replaced by language appropriate to the particular project and Responsible Entity.

NOTICE OF FINDING OF NO SIGNIFICANT IMPACT AND NOTICE OF INTENT TO REQUEST RELEASE OF FUNDS

Date of Notice

Name of Responsible Entity [RE]

Address (e.g., Street No. or P.O. Box)

City, State, Zip Code

Telephone Number of RE

These notices shall satisfy two separate but related procedural requirements for activities to be undertaken by the name of RE or grant recipient.

REQUEST FOR RELEASE OF FUNDS

On or about at least one day after the end of the comment period the name of RE will if the RE is not also the grant recipient, insert the following language here: “authorize the [name of grant recipient] to” submit a request to the HUD/State administering agency for the release of name of grant program funds under Title/Section [] of the name of the Act of [year], as amended, to undertake a project known as project title for the purpose of nature/scope of project, estimated funding (include non-HUD funding sources if applicable) and project location if applicable.

FINDING OF NO SIGNIFICANT IMPACT

The name of RE has determined that the project will have no significant impact on the human environment. Therefore, an Environmental Impact Statement under the National Environmental Policy Act of 1969 (NEPA) is not required. Additional project information is contained in the Environmental Review Record (ERR) on file at name and address of RE office where ERR can be examined and name and address of other locations where the record is available for review and may be examined or copied weekdays __A.M to __P.M.

PUBLIC COMMENTS

Any individual, group, or agency may submit written comments on the ERR to the RE designated office responsible for receiving and responding to comments. All comments received by if notice is published: publication date plus fifteen days; if notice is mailed and posted: mailing and posting date plus eighteen days will be considered by the name of RE prior to authorizing submission of a request for release of funds. Comments should specify which Notice they are addressing.

ENVIRONMENTAL CERTIFICATION

The name of RE certifies to HUD/State that name of Certifying Officer in his/her capacity as Official Title consents to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to the environmental review process and that these responsibilities have been satisfied. HUD's State's approval of the certification satisfies its responsibilities under NEPA and related laws and authorities and allows the name of grant recipient to use Program funds.

OBJECTIONS TO RELEASE OF FUNDS

HUD/State will accept objections to its release of fund and the RE's certification for a period of fifteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only if they are on one of the following bases: (a) the certification was not executed by the Certifying Officer of the name of RE; (b) the RE has omitted a step or failed to make a decision or finding required by HUD regulations at 24 CFR part 58; (c) the grant recipient or other participants in the development process have committed funds, incurred costs or undertaken activities not authorized by 24 CFR Part 58 before approval of a release of funds by HUD/State; or (d) another Federal agency acting pursuant to 40 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality. Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58, Sec. 58.76) and shall be addressed to HUD/State administration office at address of that office. Potential objectors should contact HUD/State to verify the actual last day of the objection period.

Name and Title of RE Certifying Officer

Note: The fifteen or eighteen-day public comment periods are the minimum time periods required by regulation prior to submission of a Request for Release of Funds and Certification (form HUD-7015.15) to HUD/State. The Responsible Entity may choose to allow a longer comment period. 24 CFR Part 58 requires, at Section 58.46, "Time delays for exceptional circumstances," a 30-day comment period for controversial or unique projects or those similar to projects normally requiring preparation of an Environmental Impact Statement. The fifteen-day objection period is a statutory requirement. The objection period follows the submission date specified in the Notice or the actual date of receipt by HUD/State, whichever is later.

Following completion of the comment period recipients may FAX the form HUD-7015.15 to HUD/State together with a copy of the public notice and a cover letter stating whether comments were received and, if so, how the recipient responded to the

comment. The Request for Release of Funds and Certification should not be submitted before the recipient has responded. If the request is sent by FAX, the original signed form should be mailed to HUD/State. The date of receipt by FAX will be counted as the submission date. However, HUD will not issue the 7015.16 "Authority to Use Grant Funds" until after the original signed form is received.

1.5.5 Determining Rehabilitation vs. Reconstruction vs. Replacement

Rehabilitation

Rehabilitation refers to the repair or renovation of specific areas or components of a housing structure that are non-emergency in nature. This includes:

Figure 15: Rehabilitation

Stick-built and Modular Structures	Eligible if deemed feasible for repair with rehabilitation costs not exceeding \$100,000.
Manufactured Housing Units (MHUs)	Eligible if less than five years old with rehabilitation costs not exceeding \$15,000

Not Suitable for Rehabilitation

DCA defines "not suitable for rehabilitation" under the following criteria:

- **Repetitive Loss Properties:** Residential properties with multiple losses under FEMA's National Flood Insurance Program (NFIP). A repetitive loss property is any insurable building for which two or more claims of more than \$1,000 were paid by the NFIP within any rolling ten (10)-year period since 1978.
- **Substandard Dwellings:** Properties that fail to meet the recovery program's housing repair standards and/or federal, state, and local code requirements. This determination is made when repair costs approach or exceed reconstruction costs.

Reconstruction

Reconstruction involves demolishing, removing, and disposing of an existing housing unit and replacing it with the same lot and footprint with a new unit. This applies to:

Figure 16: Reconstruction

Stick-built or Modular Structures	When necessary, repairs exceed \$100,000.
Stick-build or Modular Homes	Destroyed during one of the declared storms.

Replacement

Replacement entails the demolition, removal, and substitution of a damaged MHU with a new MHU. This is applicable to:

- **Manufactured Housing Units (MHUs):** Older than five (5) years with rehabilitation costs exceeding \$15,000.

Estimated Cost of Rehabilitation, Reconstruction, or Replacement

For homes demolished or severely damaged by storms and deemed irreparable, a damage assessment will estimate the cost to reconstruct a new, elevated home (if necessary) based on the pre-storm footprint. This estimate includes site preparation and demolition costs and serves primarily for preliminary feasibility analysis. The final activity cost will be determined after project bidding and contractor selection.

Rehabilitation and Replacement of MHUs and Modular Homes

To qualify for rehabilitation, an MHU must be no more than five years old at the time of the disaster, with repair costs not exceeding \$15,000. MHUs exceeding five years of age or with repair costs over \$15,000 will be replaced with a new MHU or a stick-built home, depending upon land factors and applicant choice.

The vendor will ensure options for standard MHU units are made available for structures partially comprising an MHU.

Standard unit options include:

- Two (2) bedroom/two (2) bath.
- Three (3) bedroom/two (2) bath.
- Four (4) bedroom/two (2) bath.

For larger households, additional floor plans may be considered on a case-by-case basis.

The original MHU or modular home must be demolished and removed from the site before replacement. Demolition will be funded and coordinated through HRRP. MHUs must comply with Georgia's Uniform Standards Code for Manufactured Homes Act (O.C.G.A Sections 8-2-130 and 8-2-160) and applicable Green Building Standards. Local zoning and code requirements will be observed. Replacement of MHUs is contingent upon compliance with local zoning/building permits and federal requirements, such as environmental regulations, allowing the replacement of the original, storm-damaged structure with a similar one.

Repaired MHUs must meet HUD's [Decent, Safe, and Sanitary \(DSS\) Standards](#) (25 CFR Part 700.55) upon completion.

1.5.6 Escrowed and Supplemental Funds

Homeowners are required to provide funds to cover any gaps resulting from a DOB. These homeowner-provided funds must be placed in an escrow account and utilized during the construction phase of the home. Escrowed funds are strictly for covering DOB gaps and are not permitted for construction activities such as upgrades, additions, or other non-essential activities. All funds held in escrow will count toward the CDBG-DR maximum limits. It is mandated that escrowed funds be expended prior to the disbursement of program funds.

1.5.7 Final Qualification of Applicants

The final qualification process for an applicant commences once the HRRP application is submitted by the vendor. The application must encompass all required documentation and forms to be considered complete. Upon submission, the vendor's review panel will evaluate the application and render an eligibility determination within the timeframe established by DCA. All appropriate documentation should be kept within the applicant's electronic record.

Approved applicants will receive a notification letter from the vendor regarding their approval for the HRRP deferred payment loan, accompanied by the Acceptance of Deferred Payment Loan document for the homeowner's signature. Applicants deemed ineligible will also be informed through a letter from the vendor.

1.5.8 Applicant Orientation

Figure 17 provides the required disclosures to be made by the vendor during the applicant orientation.

Figure 17: Applicant Orientation

Construction Process	Overview of the construction timeline, including any required DOB payments.
Legal Documents	Explanation of construction-related legal documents.
Temporary Relocation	Information on temporary relocation, if necessary.
Post-Construction	Guidance on post-construction procedures.
Lead-Based Paint	Potential lead-based paint hazard reduction processes.
Homeowner's Insurance	Requirement to maintain insurance sufficient to cover the post-rehabilitation value of the property for a period of five (5) years.

1.5.9 Holding the Pre-Construction Conference

The Pre-Construction Conference serves to review program rules and procedures for the construction phase and to discuss any special project circumstances. Holding the Pre-Construction Conference is required prior to signing the contract and Statement of Work. This will allow contractors to get a better grasp on the project and reduce the occurrence of change order requests. Conducting this

meeting at the project site allows all parties to review the work write-up in detail. Topics to be covered include:

- **Construction Contract:** Review of the contract and any addenda.
- **Program Requirements:** Discussion of HRRP-specific requirements and property standards.
- **Building Codes:** Review of applicable Georgia Construction Codes.
- **Quality Standards:** Explanation of quality and performance standards.
- **Federal Requirements:** Overview of federal cross-cutting requirements.
- **Occupant Protection:** Discussion of occupant protection and relocation issues.
- **Lead Hazard Reduction:** Details on lead hazard reduction work and associated protection.
- **Notice to Proceed:** Clarification of the Notice to Proceed process.
- **Work Schedule:** Agreement on the project timeline, including start and completion dates.
- **Special Needs:** Consideration of any home-owner-specific requirements regarding contractor access.
- **Inspection Process:** Outline of interim and final inspections.
- **Monitoring Responsibilities:** Clarification of the homeowner's role in monitoring construction.
- **Contractor's Responsibilities:** Contractor's duty to report completion percentages and request inspections.
- **Payment Process:** Explanation of payment procedures.
- **Change Orders:** Process for handling change orders.
- **Appeals Process:** Procedures for resolving disputes.
- **Close-Out Procedures:** Requirements for project close-out, including necessary documentation and warranties.

1.6 Payment Process

Euna Grants is DCA's web-based reporting and grants management system. Euna Grants is designed to be the system of record for all components of CDBG-DR. This system is how vendors draw funds and reconcile online budgets. A detailed guide to Euna Grants will be made available, separate from this section.

1.6.1 Setting up the Activity with DCA

To initiate fund disbursement from HRRP, DCA will issue an award offer through the Euna Grants Management System. The vendor is required to accept this award within the Euna Grants Portal. Detailed instructions on this process are available in Section 1 of the eCivis Grants Network External User Guide: *Pre-Award Grants Management for Subrecipients*. Upon acceptance of the award, DCA will allocate funds for the specified activity—defined by household, unit address, and national objective—in the HUD Disaster Recovery Grant Reporting (DRGR) System. Once the activity is established in DRGR, DCA will notify the vendor.

1.6.2 Drawing Down Activity Funds with DCA

Following the approval of an award offer in Euna Grants, vendors may commence drawing funds for construction costs, activity delivery costs (ADC), and other activity-related soft costs. All fund requests must be substantiated by comprehensive Financial Reports submitted via Euna Grants. For further guidance on this procedure, refer to Section 4.1 of the eCivis Grants Network External User Guide: *Pre-Award Grants Management for Subrecipients..*

DCA Drawdown Request Form

Georgia Department of Community Affairs: Request for Drawdown of CDBG-DR Funds Draw Summary Form This form must be submitted with CDBG-DR Individual Project Draw Form, if individual project funds are being requested for drawdown					
Subrecipient Name:		CDBG-DR Grant Number:		Draw Number:	
Contact Name:		Phone Number:			
<i>Name and phone number of person who can respond to questions about this draw</i>					
Drawdown Information: All drawdown requests must include supporting documentation for all expenses					
Project Number	Project Budget	Amount Drawn to Date	Amount Requested this Drawdown		Balance Remaining After Drawdown
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
	\$	\$	\$		\$ -
TOTAL	\$	\$	\$		\$ -
Certification Statement: I/We hereby certify that the data above is correct and that this request is in accordance with the terms and conditions of the above referenced grant.					
<div style="display: flex; justify-content: space-between; border-bottom: 1px solid black; margin-bottom: 10px;"> Authorized Signature: _____ Date: _____ </div> <div style="display: flex; justify-content: space-between; border-bottom: 1px solid black;"> Authorized Signature: _____ Date: _____ </div>					
Below for DCA Use Only					
Date Received:	Notes:				
Amount Approved:	Reviewed By:		Approved By:		
	Date:		Date:		

1.6.3 Requests to Exceed Maximum HRRP Assistance

Should an activity necessitate funding beyond the established maximum deferred payment loan amount, prior approval from DCA is mandatory. In such cases, the vendor must submit a "Request to Exceed Maximum Assistance," clearly articulating the justification for the additional funds. This ensures transparency, consistency, and a proper review process for budget adjustments. The submission should consist of a justification letter with a detailed explanation outlining the reason for the additional funding request. This must include:

- The specific need for the additional funds.
- A summary of any changes in scope of work, pricing, or unforeseen circumstances that prompted the request.
- An explanation of why the cost was not originally anticipated or included in the initial award.
- Calculation Form – A breakdown of the additional costs requested, itemizing the quantities, unit costs, and total amount needed. This form should clearly tie to the changes in the scope of work or other justifiable reasons.
- Project Set-Up Form – An updated form reflecting the revised project budget, inclusive of the additional funds being requested.
- Photographic evidence supporting the necessity of the proposed scope of work.

This request should be emailed to the designated DCA Project Specialist using the subject line: "Request to Exceed Maximum Assistance (Applicant Unique ID)." Once all required documents are received, the Project Specialist will review the submission for completeness, accuracy, and alignment with program policies. The request will then be evaluated for eligibility, cost reasonableness, and funding availability. A determination will be made and communicated to the vendor. No work associated with the additional funding should begin until the request is formally approved.

If approval is granted post-award acceptance, a grant amendment will be required. DCA will evaluate the circumstances under which the exception is needed and then determine the amount of assistance that is deemed necessary and reasonable.

1.6.4 Duplication of Benefits (DOB)

The DOB review process commences during application intake, where homeowners must disclose all funds received for disaster recovery related to the qualifying disaster. DCA will verify this information through data provided by the Federal Emergency Management Agency (FEMA), Small Business Administration (SBA), and National Flood Insurance Program (NFIP). Applicants are required to report all assistance received for the repair or reconstruction of their homes, including funds from third-party sources such as flood and homeowner's insurance, Increased Cost of Compliance (ICC) payments, FEMA grants, SBA loans, and assistance from other government or private non-profit sources. Adjustments will be made to qualifying repairs, which will be verified during the initial damage assessment.

To request a DOB Verification, case managers must complete the DOB Verification Worksheet and the DOB Certification form using information supplied by the applicant. If private insurance is identified as a source of financial assistance received for the disaster, the request must include a signed Release of Information to Third Parties and the insurance Declarations Page with contact information.

Additionally, any documentation of insurance settlements provided by the applicant should be included with the submission. Once compiled, the vendor will securely transmit this information to the CDBG-DR Project Specialist via the application portal.

DOB Check Timeline

Initial intake from case managers should take approximately 1-2 weeks, depending on the accessibility of the information. Data Verification should take 2 weeks. This time accounts for reviewing FEMA and SBA data and the insurance verification process. The insurance provider has 10 days to respond. If no response is provided within that timeframe, self-certification is acceptable. Once complete, the information is routed back to the vendor to complete the benefits calculation and ensure DOB has not been triggered.

Following the initial damage assessment, the vendor will determine the full need for assistance and establish the total activity budget. The deferred payment loan amount is calculated by deducting all duplicative benefits received or anticipated from the total project cost. This information will be documented on the HRRP Award Request Calculation Form.

1.6.5 Allowable Repairs

An inspection will be conducted to estimate the value of all permanent repairs completed in all areas of the home, including main living spaces and basements. For each repair, the inspection must indicate whether the repair was self-performed, conducted by a contractor or other professional, or by a charitable entity not compensated by the applicant. The value assigned to these repairs must be based on reasonable post-storm pricing for similar repairs, utilizing a standardized cost-estimating tool.

For non-permanent repairs, documentation through self-certification, receipts, and/or photographs will be required.

For permanent repairs, the following requirements apply:

- The homeowner must provide a signed self-certified statement detailing all labor and/or repairs made to the damaged property following the disaster event.
- A program inspector must determine with reasonable assurance that the repairs were made after the date of the disaster event.
- Documentation, including photographs, of the repairs that were made.

1.6.6 Contractor Fraud

If a homeowner was a victim of contractor fraud, the amount paid to the contractor will not be counted as a DOB, provided the homeowner filed a police report and made every reasonable effort to recover the funds prior to the date of application. Claims of contractor fraud will be verified through Georgia Consumer Services and the Better Business Bureau.

1.6.7 Forced Mortgage Payoff

If a homeowner's mortgage company applied insurance proceeds to a forced mortgage payoff, that amount may not count as a DOB. The homeowner must provide a letter on the mortgage company's letterhead, signed by an authorized representative, stating that the homeowner was required to use

disaster assistance funds for mortgage paydown. The vendor administering HRRP will verify this information with the homeowner's mortgage company. All documentation related to forced mortgage payoff will be uploaded by the Case Manager into the homeowner's application.

If the homeowner used insurance proceeds for a voluntary mortgage payoff, it will be considered a DOB and deducted from the homeowner's deferred payment loan calculation.

1.6.8 Legal Fees

Legal fees incurred to successfully obtain insurance proceeds will be credited to the homeowner and will not be deducted as a DOB. Homeowners must provide evidence of payment and a judgment or settlement document demonstrating success in the legal action.

1.6.9 Tax Filings

Personal income tax filings related to losses to the home do not affect funding assistance awards and are not considered a DOB. Homeowners should consult their personal tax advisor for guidance on any tax-related matters.

1.6.10 Subrogation

Subrogation is a legal concept allowing one party to assume the rights of another. In the context of disaster recovery grants, a homeowner must enter into a subrogation agreement wherein the funding agency (DCA) obtains the right to collect any additional disaster recovery or insurance payouts the homeowner receives for storm damages after entering into a grant agreement for HRRP benefits. If additional recovery funds are received after the grant agreement and before grant close out, the applicant must report these funds. The vendor will recalculate the homeowner's deferred payment loan and provide instructions on whether the loan will be reduced by the additional amount or if the homeowner must remit the funds to the Program. Each homeowner is required to execute and adhere to a subrogation agreement.

The applicant must enter into an agreement with DCA to repay any assistance later received for the same purpose for which the CDBG-DR funds were provided, except when one of the circumstances described below applies:

- The duplicative federal assistance was received by low- and moderate-income beneficiaries after the receipt of the CDBG-DR assistance (subject to a cap set by the Secretary); or
- The duplicative assistance was received by beneficiaries that, after the receipt of the CDBG-DR assistance, are:
 - Deceased;
 - Subject to a foreclosure action on a property rehabilitated, constructed, or reconstructed with CDBG-DR funds; or
 - A debtor in a bankruptcy proceeding or who recently exited a bankruptcy proceeding (or similar proceeding for insolvent debtors under state law, such as an assignment for the benefit of creditors).

1.7 Construction

1.7.1 Monitoring the Contractors

Throughout the project lifecycle, vendors must vigilantly oversee contractor performance to promptly address potential issues such as:

- Non-responsiveness to communications.
- Inadequate on-site supervision.
- Neglecting warranty period obligations.
- Financial instability (e.g., concerns from creditors or suppliers).
- Deviation from specified materials or methods.
- Conflicts with homeowners.

Vendors are responsible for:

- Collaborating with construction managers to oversee applicant construction contracts and change orders.
- Ensuring adherence to Green Building Standards, labor regulations, and equal opportunity mandates.
- Conducting regular inspections to assess the quality and compliance of the contractor's work with the agreed-upon scope, program specifications, and construction drawings.

For vendors employing a batch assignment approach for contractors, an evaluation of each contractor's performance is required upon fifty (50) % completion of the initial project, utilizing a standardized performance matrix. This assessment will influence future project assignments and will consider factors such as:

- **Workmanship (Thirty-three (33) %):** Evaluating construction quality, safety practices, accuracy of documentation, and homeowner satisfaction.
- **Project Management (Thirty-three (33) %):** Assessing adherence to schedules, professionalism, and compliance with relevant federal and state regulations.
- **Customer Service (Thirty-four (34) %):** Measuring responsiveness to service issues and the effectiveness of communication with both the vendor and the homeowner.

Contractors failing to meet these standards may experience a reduction in project assignments. Continuous evaluations are expected as work progresses on subsequent projects. The vendor must keep documentation records verifying this oversight and make them available to DCA upon request.

[This space is left intentionally blank.]

1.7.2 Construction File

Vendors are required to establish and maintain a comprehensive construction file to facilitate meticulous monitoring of the construction process and associated funds. These records must be readily accessible for monitoring progress, conducting interim inspections, authorizing progress payments, processing change orders, and performing final inspections and payments. Additionally, these records should be available for DCA review during monitoring visits. The construction file must include:

- Executed construction contract and all addenda.
- Project specifications.
- Approved change orders.
- Arbitration agreement, if applicable.
- Contact list with names, addresses, and phone numbers of owners, contractors, subcontractors, DCA staff, and building officials involved in the construction process.
- Disbursement ledger.
- Invoices.
- *Radon testing.
- Draw requests with supporting documentation.
- Copies of issued payment checks.
- Inspection forms.
- Building inspector reports.
- Owner satisfaction statements for each disbursement to the contractor.
- Lien releases from general contractors, subcontractors, and material suppliers.
- Initial property inspection form.
- Interim property inspection forms.
- Final property inspection forms.
- Project log documenting significant communications or actions to assist in event reconstruction or dispute resolution.

***Radon Testing**

To ensure the health and safety of returning homeowners, radon testing must be conducted prior to the homeowner reoccupying the home.

Timing of Testing:

Radon testing must take place after construction is complete but before the homeowner moves back into the residence.

Responsibility:

The contractor is responsible for conducting the radon test using a DIY Radon Testing Kit provided by the vendor.

All test results and related records must be submitted to the program as part of the final closeout package.

1.7.3 Georgia Lien Law

At the onset of construction, it is imperative for the vendor to adhere to the Georgia lien law to protect both the property owner's interests and the program's investment. This law grants contractors, subcontractors, and material suppliers the right to file a lien against a property if they are not compensated for their contributions. To mitigate this risk, vendors must implement a stringent lien release procedure. This involves obtaining signed lien waivers from the general contractor, all subcontractors, and material suppliers upon any partial or full payment. These waivers serve as legal

affirmations that the parties have received payment and waive any future lien rights against the property.

According to Georgia Code § 44-14-361.5, a "Notice of Commencement" must be filed within fifteen (15) days after the contractor begins physical work on the property. This notice can be filed by either the property owner or the contractor in the Superior Court of the county where the property is located. For HRRP, it is the contractor's responsibility to file this notice. The Notice of Commencement must include:

- A legal description of the property.
- The name and location of the project.
- The name and address of the following parties:
 - The contractor.
 - The true owner of the property.
 - The party commissioning the work, if different from the owner (e.g., a tenant).
 - Surety, if applicable.
 - The construction lender, if applicable.

Once the Notice of Commencement is filed, any vendors or suppliers not in direct contract with the primary contractor must provide a "Notice to Contractor" to both the owner and the contractor. This notice must be delivered within thirty (30) days from the date they first supply labor or materials, or within thirty (30) days from the filing of the Notice of Commencement, whichever is later. The Notice to the Contractor should detail:

- The name, address, and telephone number of the party providing labor or materials.
- The name and address of the entity to whom the labor or materials were provided.
- A description of the labor or materials supplied.
- The contract price or anticipated value of the labor or materials.

Failure to provide this notice within the specified timeframe may forfeit the subcontractor's or supplier's right to file a lien. It is important to note that if a Notice of Commencement is not filed, lower-tier subcontractors and suppliers are exempt from the requirement to serve a Notice to Contractor, and the stipulations of Section 44-14-361.5 become inapplicable.

Subcontractors or suppliers may request a copy of the Notice of Commencement from the homeowner or contractor. If the requested notice is not provided within ten (10) days, the requirements of this section do not apply to the party requested.

The primary objectives of the Notice of Commencement are to:

1. Enhance the ability of lien claimants to file valid lien and bond claims by providing essential information.
2. Equip vendors with a mechanism to monitor all parties involved in the project, ensuring timely payments, and reducing the likelihood of unexpected liens from unidentified subcontractors or suppliers.

1.7.4 Converting an Activity from Rehabilitation to Reconstruction

During a housing rehabilitation project, unforeseen issues such as concealed structural damage may surface, necessitating a reassessment of the project's feasibility. If the cumulative cost of required change orders surpasses the approved rehabilitation budget or if the structural integrity of the house is compromised, the vendor may determine that reconstruction is a more viable and cost-effective solution.

In such cases, the vendor should issue a stop-work order to the contractor and promptly contact DCA to seek approval for the transition to reconstruction. DCA will evaluate the request through an offline amendment process. Upon approval, the existing construction contract may continue with the same contractor, provided they possess the necessary licensing and bonding for the reconstruction work. The original work scope should be adjusted to exclude non-applicable items, and a new scope of work for reconstruction should be developed and incorporated into a change order. A detailed cost estimate must be prepared, and each item should be negotiated to establish reasonable costs.

1.7.5 Interim Inspections and Progress Payments

For each rehabilitation or reconstruction project, contractors are permitted up to two progress draws and one final payment. Additional drawings may be considered on a case-by-case basis, particularly if a project transitions from rehabilitation to reconstruction. Before submitting a payment request to DCA, the vendor must inspect the completed work. The vendor is responsible for verifying that funds are utilized for eligible purposes and that work complies with required standards. Payments should not be made for improperly completed work or for materials not present on-site. If work is inadequately completed as billed, the vendor should reject the invoice or adjust the payment to cover only the acceptable portion.

Owner's Acceptance of Work Completed

HRRP mandates that homeowners sign a satisfaction statement certifying their approval of the completed rehabilitation or reconstruction work. This statement should be signed following a walkthrough conducted by both the homeowner and the contractor. The signed statement must be obtained before the vendor requests disbursement to the contractor from DCA, including all interim and final payments. By signing the satisfaction statement, the owner authorizes the vendor to release payment to the contractor. It is advisable to conduct inspections in the presence of both the owner and contractor to promptly identify, discuss, and resolve any issues.

Release of Liens

In addition to obtaining the homeowner's signed satisfaction statement for any interim or final payment to the contractor, releases of liens must be secured from the general contractor, all subcontractors, and material suppliers before releasing any payments. When submitting the final draw request, the vendor must also include verification of the Warranty/Affidavit pursuant to O.C.G.A. 43-41-7.

Other Inspections

For complex projects, or when issues arise among involved parties or unforeseen conditions occur, the vendor may need to conduct additional inspections between formal inspections to resolve issues or prevent serious problems.

Retainage

All progress payments should be contingent upon both the percentage of work completed and the contractor's satisfactory progress. Retaining a portion of the payment serves as an incentive for the contractor to complete the work promptly and address issues swiftly. This practice also provides a safeguard for the program if a contractor fails to complete the work and the vendor must engage another contractor. DCA requires vendors to retain at least ten percent (10%) of every progress billing, including the final billing, until the entire project has passed the final inspection.

1.7.6 Change Orders

When unforeseen issues arise during construction, a "Change Order" must be prepared to document the specific work items, associated costs, and any additional time required for completion. This process ensures that all modifications are formally incorporated into the existing contract between the contractor and the vendor.

Figure 18 details the Change Order process.

Figure 18: Change Order Process Requiring DCA Approval

Detailed Description	The vendor provides a written justification detailing the need for the change order. This includes a comprehensive list of additional work on the Amendment to Contract/Change Order form, ensuring each item is described with the same level of detail as the original scope of work.
Contractor Pricing	The contractor assigns a price to each listed item and submits the completed Amendment to Contract/Change Order form to the vendor for evaluation.
Cost and Time Assessment	The vendor evaluates the proposed costs and additional time for reasonableness, documenting justification by comparing the contractor's proposal to local cost estimates.
Supporting Documentation	The vendor should provide any supporting photos or assessments that reinforce the need for the change order.
Budget Amendment Submission	The vendor submits an offline budget grant amendment for DCA's approval.
Homeowner Approval	Upon receiving DCA's approval, the vendor presents the Amendment to Contract/Change Order form to the homeowner for final consent.
Execution of Amendment	With the homeowner's agreement, the Amendment to Contract/Change Order form is finalized and signed by the contractor, vendor, and homeowner, officially becoming part of the contract.

Change Order Requests

All change order requests must be properly documented, justified, and approved as outlined below. The vendor may review and approve certain change orders internally without submitting them to DCA for prior approval, provided they meet all the following conditions:

- The total cost of the change order does not exceed 10% of the applicant's current award amount.
- The change order is directly related to lead-based paint activities, including:
 - *Lead testing
 - *Lead abatement
 - *Removal of lead-related containment or abatement measures

These change orders must still be fully documented and retained in the project file. The vendor must ensure that cost reasonableness and proper procurement standards are applied and that the work complies with HUD and program-specific requirements.

All other change orders must be submitted to the assigned DCA Project Specialist for review and receive formal approval prior to beginning any associated work. This includes, but is not limited to:

- Change orders exceeding 10% of the current award.
- Structural changes or major modifications to the scope of work.
- Additions not previously included in the approved scope.
- Any change that affects habitability, compliance, or safety.

The request must include appropriate documentation such as:

- A written justification.
- Revised scope of work.
- Updated budget or cost estimate.
- Any supporting photos or assessments.

Change Orders may also be utilized to extend the contract expiration date when necessary due to excusable delays. Vendors must scrutinize Change Orders to ensure they are justified and not perceived as routine by contractors. It is important to note that failure to include an observable work item in the original scope is generally not permissible for a Change Order after construction has commenced. Additionally, contractor errors in project estimation or execution typically do not warrant a Change Order if they result in increased costs. Contractors are required to obtain approval from the vendor before implementing any Change Order. The vendor will ensure award information is updated with revised award information upon approval of change orders.

Important Note for Contractors

Contractors are not permitted to proceed with work associated with a change order until formal DCA approval is received. Unauthorized work may be deemed ineligible for reimbursement.

1.7.7 Construction and Safety Guidelines

All HRRP-funded construction activities must meet strict state and federal safety guidelines. Contractors use storm-resistant materials, energy-efficient designs, and modern techniques to minimize future risks.

1.7.8 Appeals Process

During a project, disputes may arise. Homeowners who believe there is just cause may file an appeal.

Figure 22: Appeals Process

The Appeals process consists of four levels:	
1.	Case Managers
2.	Subrecipient Project Manager
3.	CDBG-DR Staff Review
4.	Official Appeals Board

If a homeowner believes an error has been made or a decision is unjust, they should promptly contact their assigned Case Manager regarding the disputed decision. Appeals must be submitted within ten (10) days of the decision; otherwise, the original decision stands.

Homeowners may submit an appeal via email or by completing an Appeals form during a meeting with their Case Manager. The Case Manager should acknowledge receipt of the appeal within four (4) days.

If the issue cannot be resolved through existing policies and procedures, the Case Manager will escalate the matter to the vendor Project Manager for determination. Efforts should be made to resolve issues locally, with a combined timeframe of no more than twenty (20) days from receipt of the appeal to reach a decision. All appeals should be logged and continuously updated with relevant information and timestamps.

If the vendor cannot resolve the dispute, it will be referred to DCA within twenty (20) days of the appeal's receipt. The CDBG-DR staff panel will convene as necessary, at least twice monthly, to review unresolved disputes. If the matter falls under the jurisdiction of the Case Manager or vendor Project Manager, DCA may refer the issue back to them for further involvement in the appeals process.

In exceptional cases, the appeal will be reviewed by the full Appeals Board, comprising CDBG-DR staff, the Deputy Commissioner for Community and Economic Development, and the Director of the Community Finance Division. Decisions made by the CDBG-DR Program Board of Appeals are final.

Note: This list is not exhaustive. Disputes involving extenuating circumstances will be reviewed on a case-by-case basis by DCA.

Eligible Items for Appeal (Case Manager/Vendor Project Manager Level)

- Program Eligibility (e.g., ownership, occupancy, proof of damage, flood insurance non-compliance).
- Repair Estimates.
- Disputes between a homeowner and contractor before signing a Certificate of Final Completion related to substandard or unfinished work.
- File closure (e.g., application deemed ineligible prior to submission or due to homeowner non-responsiveness).
- Denial or termination of Temporary Relocation Assistance.

Eligible Items for Appeal (DCA Level)

- Duplication of Benefits.
- Grant calculation (e.g., Low-to-Moderate Income status, escrow responsibility).

- Requests for waivers of program standards (e.g., maximum deferred payment loan amount).

Ineligible Items for Appeal

- Program Policy Decisions (as outlined in the HRRP section).
- Reconstruction Plans.
- Ineligible materials and appliances (e.g., granite countertops, washers, and dryers).
- Properties are located outside the eligible designated counties.

1.8 Close Out

1.8.1 Final Inspection and Final Payment

Upon completion of the rehabilitation or reconstruction work, the contractor must formally request the vendor to schedule a final inspection. This inspection should be conducted by the vendor's designated official, which may include a building or code department representative, or an external building official from a neighboring jurisdiction if the vendor lacks such personnel.

Final inspections are to be initiated solely at the contractor's request, ensuring that all required inspections, including code compliance checks, have been satisfactorily completed and documented by the appropriate authorities.

During the final inspection, the vendor should utilize the original work write-up and any approved change orders as a checklist to verify that all work meets the established property standards. Any deficiencies should be documented, and a punch list outlining necessary corrections should be provided to the contractor. The contractor is responsible for addressing these items and notifying the vendor upon completion.

Once all punch list items are satisfactorily resolved, the vendor should prepare a Certificate of Final Inspection. The final payment process can commence upon the contractor's submission of the final invoice, along with all required documents such as lien releases, warranties, and insulation certifications, if applicable. DCA's Contracts and Sub-Contracts Completed Form must accompany the final draw request to fulfill HUD reporting requirements.

The vendor's signature on the Certificate of Final Inspection certifies that the project complies with the contract terms, adheres to the Georgia CDBG-DR HRRP Section, meets local property codes, and conforms to HUD's Lead-Based Paint regulations as specified in **24 CFR Part 35**.

Typically, vendors may withhold a portion of the final payment until the Certificate of Final Inspection is signed, all work meets program standards, and any disputes are resolved. Following this, the homeowner signs a satisfaction statement, which is then witnessed and notarized, allowing the vendor to request the final activity draw from DCA.

Insulation Certification

Important Note on Radon Testing

Radon testing should be conducted either prior to or during the final inspection and should be included in the work write-up. Testing will likely be administered with the use of a DIY Radon Testing Kit.

In compliance with DCA requirements, a Certification of Installation of Insulation must be obtained for any project involving the installation of insulation materials.

1.8.2 Closing the File and Warranty

File closure procedures can commence once construction is complete, all lien releases and the notarized homeowner satisfaction statement are obtained, and the final construction payment has been disbursed.

Contractors are obligated to provide a warranty for their work, covering a period of one year from the date of the final inspection. As part of the project completion process, the vendor should issue a letter to the homeowner detailing the warranty period's start and end dates and providing instructions for addressing any warranty-related issues. This letter should clarify that the homeowner should directly contact the contractor for warranty claims, though the vendor may offer assistance to low-income homeowners if necessary. All appliances, termites, and system warranties should be delivered by the contractor directly to the homeowner, with copies submitted to the vendor for inclusion in the project file.

Sending the Final Activity Project Completion Report to DCA

The vendor should review the Homeowner Rehabilitation Checklist to ensure all required documents are present in the project file. Subsequently, the vendor must complete the activity completion report and submit it through Euna Grants for DCA's review as promptly as possible after project completion, but no later than sixty days thereafter.

These updates are designed to align with the Universal Notice and DCA's mission to promote safe and affordable housing.

1.8.3 Monitoring and Change of Ownership

In accordance with the requirements set forth in the State Contract, the vendor is responsible for managing the day-to-day operations of HRRP and monitoring all activities to assure compliance with the CDBG-DR regulations, the Georgia CDBG-DR Homeowner Rehabilitation and Reconstruction Program, and all other applicable federal, state, and local laws and regulations (refer to [Appendix A](#) for an extensive list of applicable laws and regulations).

Under HRRP, two major requirements apply during the compliance period: recapture provisions and principal residency provisions.

HRRP-assisted households must certify that they will occupy the property as their principal residence for a period of five years. While DCA acknowledges that vendors will not be able to conduct annual site visits to each household assisted under HRRP, DCA requires vendors to maintain a log of each HRRP-assisted household, including the start and end dates of the required occupancy to be supplied to DCA at the end of the vendor contract period.

1.8.4 Record Retention and Transmission of Records to DCA

During the CDBG-DR activity, vendors must provide HUD, the Inspector General, the Georgia Department of Audits, DCA's CDBG-DR team, or any of their duly authorized representatives, access to and the right to examine all books, accounts, records, reports, files, and other documents related

to the vendor's use of CDBG-DR funds. This right of access continues as long as the records are retained by the vendor.

Prior to CDBG-DR activity close out, vendors must retain and provide DCA access to sufficient records demonstrating that all costs under the agreement met the requirements of the federal award. The vendors must retain financial records, supporting documents, statistical records, and all other records pertinent to the project and vendor's contract for the longer of three years after the expiration or termination of the grant agreement, or three years after the submission of DCA's final Quarterly Performance Report (QPR), as prescribed in **24 CFR 91.520** or in the applicable Federal Register notices governing the use of the funds, in which the specific activity is reported on for the final time. The vendor shall comply with **2 CFR 200.333 and 24 CFR 570.490(d)**.

1.9 Rapid Unsheltered Survivor Housing

The Universal Notice requires a description of how its program will align and build upon any funding received from HUD's Rapid Unsheltered Survivor Housing (RUSH) program. As none of DCA's CDBG-DR programs currently receive funds or operate HUD's RUSH program, this requirement is not applicable to HRRP.

Appendix A: Applicable Laws and Regulations

The CDBG-DR program is governed by a comprehensive framework of State and Federal laws, regulations, and Executive Orders. These legal and regulatory requirements are essential to ensure that the program operates within the bounds of established policies and achieves its intended objectives effectively. To aid subrecipients in navigating these complex requirements, DCA offers extensive support through this detailed Section, on-site technical assistance, and various workshops and training conferences.

By adhering to these requirements, subrecipients can ensure compliance and effectively contribute to the program's success in mitigating community development challenges.

Certain State and Federal laws, as well as regulations and Executive Orders, may be applicable in part or in whole to the CDBG-DR program. To assist subrecipients in meeting applicable requirements, DCA provides guidance in the form of this Section, on-site technical assistance, and through workshops and training conferences. To obtain copies of federal publications, requests should be addressed to:

The Superintendent of Documents
U.S. Government Printing Office
Washington, D.C. 20402

Many of the specific federal laws, regulations, and Executive Orders pertaining to Housing, Community Development, Fair Housing, Labor, and Environmental regulations are also available on <http://www.hud.gov/> or <http://www.hudexchange.info/>. Information is also available from <https://www.ecfr.gov/> and Community Connections at 1-800-998-9999.

The applicable laws, regulations, and Executive Orders include, but are not limited to:

I. General

- Housing and Community Development Act of 1974, as amended and as implemented by the most current HUD regulations (**24 CFR Part 570**)
- State Community Development Block Grant Program Regulations (**24 CFR Part 570, Subpart I**)
- HUD Federal Register Notice (**84 FR 45838**)
- Georgia Open Records Act, Official Georgia Code (OCGA) (**Title 50, Chapter 18, Article 4**)

II. Financial Management

- Federal Funding Accountability and Transparency Act (FFATA)
- Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (formerly Federal OMB Circular A-133) (**2 CFR Part 200, Subpart F**)

III. Civil Rights

- Civil Rights Act of 1964 (Title VI and implementing regulations) (**24 CFR Part 1**)
- Civil Rights Act, 1968 (Fair Housing Act) (Title VIII, as amended) (**24 CFR Part**)
- Rehabilitation Act of 1973 (Section 504)

- Section 504 of the Rehabilitation Act of 1973 and implementation regulation (**24 CFR Part 8**)
- Age Discrimination Act of 1975
- Americans with Disabilities Act of 1990
- Housing and Community Development Act of 1974 (Title I, Section 109 and implementing regulations) (**24 CFR Part 6**)
- Housing and Community Development Act of 1974 (Title I, Section 104 and implementing regulations at **24 CFR Parts 5, 91, 92, 570, 574, 576, and 903**)
- Housing and Development Act of 1968 (Section 3, as amended by Section 118 of Title I, Community Development and Housing Act, 1974, and implemented by HUD regulations)
- Executive Order 11246 – Equal Employment Opportunity, as amended by Executive Order 11375, Parts II and III
- Executive Order 11063 – Equal Employment Opportunity, as amended by Executive Order 12259
- Executive Order 12432 – National Priority to Develop Minority and Women Owned Businesses
- Section 104 of Title I of the Housing and Community Development Act of 1974 and the implementing regulations at **24 CFR Parts 5, 91, 92, 570, 574, 576, and 903**. DCA Civil Rights Compliance Certification Form

IV. Labor Standards

- Davis-Bacon Act, as supplemented by DOL Regulations [**40 United States Code (U.S.C.) 276(a) to (a-7)**]
- Copeland "Anti-Kickback" Act, as supplemented by DOL regulations (**18 U.S.C. 874**)
- Contract Work Hours and Safety Standards Act, as supplemented by DOL regulations (**40 U.S.C. 327-330**)

V. Acquisition/Relocation

- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (**46 U.S.C. 4601**) and Regulations (**49 CFR, Part 24**)
- Georgia Real Estate Appraiser Licensing and Certification Act (**OCGA Section 43-39-A-1 thru 4339 A-27**)
- Georgia Relocation Assistance and Land Acquisition Policy Act of 1973
- Georgia Urban Redevelopment Law (**OCGA Section 36-61-1, et. seq.**)

VI. Housing

- The Truth in Lending Act (Regulation Z)
- Title I Consumer Protection Act (PL 90321)
- The Lead Base Paint Poisoning Prevention Act (42 U.S.C. 4831-5 et al) and HUD implementing regulations (**24 CFR Part 35**)
- The Residential Lead-Based Paint Hazard Reduction Act of 1993 (PL 102-550).
- The National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C., 5401 et. seq., as amended)
- Manufactured Housing Act (O.C.G.A. Sections 8-2-130 and 160 et. seq.)

- Construction Industry Licensing Board Act (O.C.G.A. Section 43-14-8)
- Georgia State Uniform Construction Codes Act (O.C.G.A. Section 8-2-21)
- The Fire Administration Authorization Act of 1992 (PL 102-522)

VII. Environmental

- National Environmental Policy Act (NEPA) of 1969, as amended by Executive Order 11991 of May 24, 1977, and the Council on Environmental Quality's (CEQ) NEPA Regulations (**40 CFR Parts 1500-1508**)
- National Historic Preservation Act of 1966, as amended, particularly Section 106
- Reservoir Salvage Act of 1960, as amended, particularly Section 3, as amended by the Archeological and Historic Preservation Act of 1974
- Flood Disaster Protection Act of 1973, as amended
- Safe Drinking Water Act of 1974, as amended
- Endangered Species Act of 1973, as amended, particularly Section 7
- Archeological and Historic Preservation Act of 1974
- Farmland Protection Policy Act of 1981 and Regulations (**7 CFR Part 658**)
- Wild and Scenic Rivers Act of 1968, as amended
- Clean Air Act Amendments of 1970, as amended
- Coastal Resources Barriers Act of 1982
- Shore Assistance Act of 1977 (OCGA Section 12-5-230, et. seq.)
- The Coastal Zone Management Act of 1972, as amended
- Environmental Review Procedures for the CDBG-DR Program (**24 CFR Part 58**)
- HUD Environmental Standards (**24 CFR, Part 51**)
- Executive Order 11593, Protection and Enhancement of the Cultural Environment, May 13, 1971
- Executive Order 11988, Floodplain Management, May 24, 1977
- Executive Order 11990, Protection of Wetlands, May 24, 1977
- Georgia Air Quality Act of 1978 (**OCGA Section 12-9-1, et. seq.**)
- Georgia Hazardous Waste Management Act (**OCGA 12-8-60, et. seq.**)
- Georgia Health Code (**OCGA 31-3-1, et. seq.**)
- Georgia Coastal Marshlands Protection Act of 1970
- Georgia Groundwater Use Act of 1972 (**OCGA Section 12-5-170, et. seq.**)
- Georgia Safe Drinking Water Act of 1977 (**OCGA Section 12-7-1, et. seq.**)
- Georgia Erosion and Sedimentation Act of 1975 (**OCGA Section 12-7-1, et. seq.**)
- Georgia Solid Waste Management Act (**OCGA Section 12-8-20, et. seq.**)
- Georgia Water Quality Control Act (**OCGA Section 12-5-20, et. seq.**)

VIII. Other

- Georgia Handicap Accessibility Law (**OCGA Title 30, Chapter 3**)
- Contracts for Public Works, Security, and Immigration Compliance (**OCGA 13-10-90**)
- Verification of Lawful Presence within United States (**OCGA 50-36-1**)