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Federal Emergency Management Agency
Disaster Assistance Programs

**HAZARD MITIGATION
GRANT PROGRAM
INTERIM GUIDANCE**



June 1992

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**HAZARD MITIGATION
GRANT PROGRAM**

INTERIM GUIDANCE

June 1992

This handbook has been developed to provide interim guidance for the Hazard Mitigation Grant Program. It is being distributed as a working draft to those involved in implementation or administration of the program.

Any comments the readers may have concerning the program guidance and project examples provided by this document would be appreciated. Comments should be submitted to the FEMA regional Hazard Mitigation Officers. Their addresses and telephone numbers are included as Appendix A.

EXECUTIVE SUMMARY

The passage of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (P.L. 93-288, as amended) resulted in the establishment of the Hazard Mitigation Grant Program. This program is authorized under Section 404 of the Stafford Act. Regulations for implementing the program are found at 44 CFR Part 206 Subpart N.

The intent of this program is to reduce future disaster damages by providing financial support to implement cost-effective mitigation measures. These measures must be consistent with post-disaster hazard mitigation plans, commonly referred to as "Section 409 Plans" after the section of the law addressing the post-disaster planning requirement. These funds can assist state and local governments in implementing measures that previously would not have been feasible. Guidance for hazard mitigation planning and the post-disaster planning requirement is included in Post-Disaster Hazard Mitigation Planning Guidance for State and Local Governments (DAP-12), a publication that should be used as a companion document to this handbook.

Federal assistance under the Hazard Mitigation Grant Program shall not exceed 10 percent of the estimated Federal share of permanent restorative work under the Public Assistance Program (Section 406 of the Stafford Act), including eligible associated costs. FEMA may contribute up to 50 percent of the cost of hazard mitigation measures approved for funding.

This handbook addresses topics of interest to both the state, as grantee, and the applicants, as subgrantees. State activities include:

- Developing and updating the Administrative Plan;
- Identifying and selecting projects;
- Submitting the Hazard Mitigation Grant Program application to FEMA;

- Managing the program, including financial management and administrative requirements.

For applicants who will be applying for funds under the Hazard Mitigation Grant Program, the handbook discusses:

- Project eligibility;
- Project application requirements;
- Financial recordkeeping and reporting requirements; and
- The appeals process.

This handbook provides guidance in meeting the requirements of the Hazard Mitigation Grant Program. In conjunction with other hazard mitigation programs, the Hazard Mitigation Grant Program provides an opportunity for development of a comprehensive mitigation program.

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CHAPTER 1

INTRODUCTION

SCOPE

The Robert T. Stafford Disaster Relief and Emergency Assistance Act was passed on November 23, 1988, amending Public Law 93-288, the Disaster Relief Act of 1974. Section 404 of the Stafford Act established the Hazard Mitigation Grant Program. The Federal Emergency Management Agency (FEMA) emphasizes reducing potential disaster losses through implementation of hazard mitigation programs and activities. Prior to enactment of the Stafford Act, this had been promoted primarily through the Section 409 post-disaster planning requirement. The Hazard Mitigation Grant Program provides a method of funding for mitigation measures identified through the post-disaster planning process. This program is further evidence of FEMA's continued goal to reduce future disaster damages through the development of comprehensive hazard mitigation programs. (A list of hazard mitigation terminology and commonly used acronyms are included as Appendices B and C, respectively.)

This handbook explains and defines the roles and responsibilities of the state and the applicant, including management responsibilities and eligibility requirements. As the grantee, the state is awarded funds under the grant program and is responsible for management and administration of the program. The applicants, or subgrantees, are eligible to apply for grant funds from the state. Subgrantees may include state agencies; local governments such as cities, counties, and towns; other state political subdivisions such as special districts; eligible private non-profit organizations; or Indian tribes.

The handbook also focuses on the integration of the Hazard Mitigation Grant Program with the post-disaster mitigation planning requirement. Guidance for mitigation planning is included in Post-Disaster Hazard Mitigation Planning Guidance for State and Local Governments, a publication that should be used as a companion document to this handbook (FEMA, DAP-12, September 1990; for copies, write to FEMA, P.O. Box 70274, Washington, DC 20024.)

PURPOSE

This handbook is designed to provide guidance to state and local governments for utilizing the Hazard Mitigation Grant Program. It is intended primarily for State Hazard Mitigation Officers who are responsible for administering the program and those state and local officials and eligible private non-profit organizations who will be applying for funding under the program. Regulations for the Hazard Mitigation Grant Program are found at 44 CFR Part 206 Subpart N. Meeting the eligibility requirements of the program is the primary focus of this handbook.

The objectives of Subpart N are to encourage state and local governments to:

1. Identify and implement cost effective mitigation measures that will reduce future disaster losses;
2. Coordinate mitigation needs with existing state and Federal efforts; and
3. Capitalize upon previous mitigation planning efforts in order to maximize the financial opportunities available under the Hazard Mitigation Grant Program.

EVOLUTION OF HAZARD MITIGATION

The Hazard Mitigation Grant Program is the most recent development in the evolution of hazard mitigation and is the culmination of mitigation activities over the years.

The Beginning - Structural Mitigation

The Federal government's involvement with hazard mitigation began as early as the 1930s when the U.S. Army Corps of Engineers began developing comprehensive flood control planning. Since that time there has been a steady growth of mitigation programs and policies and an increased emphasis on hazard mitigation. The majority of mitigation legislation passed in the 1930s and 1940s, including the Flood Control Acts, was concerned with structural flood protection measures.

The Transition to Nonstructural Alternatives

During this same period, Federal flood policy began to shift towards nonstructural alternatives, including land use, evacuation, and avoidance. Legislation, such as the Tennessee Valley Authority's Community Flood Damage Mitigation Assistance Program (1953), the Flood Insurance Act (1956), and amendments to the Flood Control Acts, served to promote flood loss reduction planning by providing communities with historical flood data and technical assistance regarding engineering and floodplain planning.

Development of the National Flood Insurance Program

In the 1960s, a more comprehensive and coordinated approach of flood loss reduction was developed using the concepts of water resources and comprehensive river basin planning. This was supported by the Water Resources Research Act (1962) and the Water Resources Planning Act (1965). In 1968, Congress passed the National Flood Insurance Act, the beginning of the National Flood Insurance Program. The program provided flood insurance to communities that voluntarily informed property-owners of known flood hazards. By 1973, the act had been amended to *require* land-use control and the purchase of flood insurance as a prerequisite for receiving funds to purchase or build a structure in a flood hazard area.

Incorporation of Mitigation into Disaster Assistance

The focus of the 1970s was towards developing a comprehensive national natural hazards mitigation strategy and program. In 1974, the Disaster Relief Act (P.L. 93-288) was signed into law. This act mandated mitigation measures as a condition for receiving any Federal assistance under the Act. Under Section 406 (Section 409 under the Stafford Act), states were required to evaluate the hazards in the areas where loans and grants were being allocated, and implement mitigation actions that would minimize their future impact. In addition, individuals receiving Federal disaster assistance in identified flood hazard areas were required to purchase and maintain flood insurance. P.L. 93-288 also authorized the Dam Safety Program, to improve the safety of the nation's dams, and the Hurricane

Preparedness Program, to assist state and local governments in developing or improving specific elements of their emergency operations plans.

Expansion of Mitigation

In 1977, two major mitigation initiatives were enacted. First, the National Earthquake Hazards Reduction Program was established by Congress to develop and implement a national program to reduce losses of life and property resulting from earthquakes. Second, Executive Orders 11988 and 11990 were issued. Executive Order 11988, Floodplain Management, requires all Federal agencies to avoid public investment in floodplains where practicable alternatives exist, while Executive Order 11990, Protection of Wetlands, attempts to prevent losses and environmental damage due to the destruction or modification of wetlands.

Development of Interagency Hazard Mitigation Teams

Despite spending over \$13 billion on flood control facilities between 1940 and 1980, disaster losses and disaster assistance continued to grow at an alarming rate. By 1980, annual expenditures for flood relief and recovery approached \$4 billion. As a result, in 1980 the Office of Management of Budget directed the formation of the Interagency Agreement for Nonstructural Damage Reduction Measures as Applied to Common Flood Disaster Planning and Post-Flood Recovery Policies. This agreement authorized Interagency Hazard Mitigation Teams, composed of 12 Federal agencies responsible for developing common post-flood recovery policies and alleviating any future exposure of Federal investments to a similar hazard.

Enhancement of Mitigation Opportunities Through the Stafford Act

In 1988, the Disaster Relief Act was amended by P.L. 100-707 and renamed the Stafford Act. This act demonstrated the continued efforts of the Federal government to achieve effective mitigation.

The Stafford Act expanded the incentive to accomplish post-disaster mitigation in several ways. These include:

- Broadening the eligibility of hazard mitigation measures as eligible costs under the Public Assistance Program;
- Reducing the amount of disaster assistance available for facilities located in a designated flood hazard area that are not covered by flood insurance;
- Increasing the Disaster Preparedness Improvement Grant Program funds up to \$50,000 annually for each state; and
- Establishing the Hazard Mitigation Grant Program.

Hazard Mitigation Grant Program. The Hazard Mitigation Grant Program provides grants to state and local governments to implement hazard mitigation measures. Within the context of the Hazard Mitigation Grant Program, the term "hazard mitigation" is defined as an action intended to reduce repetitive losses from future natural disasters. Repetitive loss refers to life, injury, and property damage where the loss results not only in personal suffering, but also in local, state, and Federal government expenditures for disaster preparedness, response, and recovery operations. Therefore, under the Hazard Mitigation Grant Program, a project is a hazard mitigation project if it is directed towards reducing future disaster relief expenditures for the repair or replacement of public and private property, and expenditures for the relief of personal loss, hardship, and suffering.

For further guidance on the definition of hazard mitigation within the Hazard Mitigation Grant Program, refer to Chapter 5, Development or Improvement of Warning Systems, and Appendix D, "Guidance on the Eligibility of Equipment Purchases for Emergency Management Operations Under the Hazard Mitigation Grant Program."

Community Rating System

In 1991, the Community Rating System became effective. This program, a component of the National Flood Insurance

Program, provides an incentive for communities to undertake floodplain management that exceeds the minimum national standards. Under the Community Rating System, flood insurance premium rates are adjusted to reflect community and state activities to reduce flood losses, facilitate accurate insurance ratings, and promote the awareness of flood insurance. This may be accomplished through public information, mapping and regulation, flood damage reduction activities, or flood preparedness activities.

The Decade for Natural Disaster Reduction

The emphasis on accomplishing effective mitigation continues in the 1990s. The United Nations has declared the 1990s the International Decade for Natural Hazards Reduction, while the U.S. Congress has proclaimed this period as the United States Decade for Natural Disaster Reduction. Both bodies have targeted this decade as a period to improve every government's capacity to mitigate the effects of natural disasters.

The Stafford Act, and specifically the Hazard Mitigation Grant Program, are well suited to help achieve these goals in the United States.

CHAPTER 2

**DISASTER ASSISTANCE AND HAZARD
MITIGATION OVERVIEW**

**DISASTER ASSISTANCE PROGRAMS
AUTHORITIES**

The Stafford Act

The Stafford Act expanded FEMA's post-disaster hazard mitigation programs and activities. It also produced changes in the Individual and Public Assistance programs. The procedures and regulations for implementing the requirements under the Stafford Act can be found at 44 CFR 206 which can be obtained from FEMA regional offices.

Federal Disaster Assistance. According to the Stafford Act, in order for a major disaster to be declared by the President:

" . . . the determination must be made that damages are of sufficient severity and magnitude to warrant Federal assistance to supplement the efforts and available resources of states, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused by the disaster event."

Federal disaster assistance is supplemental in nature. Federal funds are only used when the magnitude or severity of the disaster is beyond state and local capability to respond.

Disaster Assistance Regulations

Hazard mitigation program managers should be familiar with the regulations under 44 CFR Part 206, specifically Subpart M, Hazard Mitigation Planning, and Subpart N, the Hazard Mitigation Grant Program.

DISASTER ASSISTANCE PROGRAMS

FEMA's Office of Disaster Assistance Programs is responsible for administering the Stafford Act. The office also administers pre-disaster programs as another means of mitigating disaster impacts. There are three program areas within the Office of Disaster Assistance Programs: Public Assistance, Individual Assistance, and Hazard Mitigation. A description of the mitigation elements of these programs follows.

Public Assistance Program

The Public Assistance Program under Sections 403, 406, and 407 of the Stafford Act authorizes funding for the repair, restoration, or replacement of damaged facilities belonging to public entities and eligible private non-profit organizations, as well as other associated expenses, including emergency protective measures and debris removal. It also provides opportunities for accomplishing mitigation.

Applicable Codes and Standards. Section 409 of the Stafford Act states:

Section 409 of
the Stafford Act

As a condition of any disaster loan or grant made under the provisions of this Act, the recipient shall agree that any repair or reconstruction to be financed therewith shall be in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable codes, specifications, and standards, and shall furnish such evidence of compliance with this section as may be required by regulation

The repair, restoration, or replacement of facilities eligible to receive Public Assistance funds must be in conformance with existing codes, specifications, and standards. Additionally, the regulations at 44 CFR 206.407 Subpart M provide authority to the FEMA Regional Director to prescribe more stringent codes, specifications, and standards if the measures are in the public interest. These regulations assist in accomplishing mitigation in cases where damaged facilities were constructed below minimum or current standards. The cost of improving damaged facilities is an eligible cost where such standards apply

to the types of work being performed. These standards can be in place at the time of the disaster or can be adopted prior to approval of a project.

Eligible Mitigation Costs. The Public Assistance Program also authorizes funding for appropriate cost-effective hazard mitigation measures related to eligible damaged public facilities.

Subpart H
44 CFR 206.226 (b)

In approving grant assistance for restoration of facilities, the Regional Director may authorize or require cost effective hazard mitigation measures not required by applicable standards. The cost of any requirements for hazard mitigation placed on restoration projects by FEMA will be an eligible cost for FEMA assistance.

Design changes or improvements are eligible expenses when it can be demonstrated that these measures will have a cost-effective mitigation benefit in terms of the life of a structure.

Under the Public Assistance Program, the Federal share will not be less than 75% of the net eligible repair, restoration, reconstruction, or replacement costs.

Example of
Funding Mitigation
Measures
Under Section 406

Since 1971, Snohomish County, Washington has received three presidential disaster declarations for flooding. On the average, the lower Snohomish Valley has recurring flood problems every three years. The late November/December flooding of the lower Snohomish River floodplain in 1990 resulted in major damage to the Marshland dike that required emergency levee repair. The Marshland dike is one facility in a larger system that involves eight separate diking districts. These diking districts entered into an agreement in March 1991 that established a flood protection elevation that, in many cases, lowered the level of protection.

The Marshland Diking District project consisted of restoration and mitigation elements to an agricultural levee system within the lower Snohomish River system. A damaged portion of the Marshland dike was restored by constructing two earthfill dike embankment sections, replacing the washed out areas at the breach, and repairing washed out areas near the toe of the dike.

(Continued)

Example of
Funding Mitigation
Measures
Under Section 406
(Continued)

The mitigation element included lowering levee sections to a previously agreed upon elevation, providing overtopping areas to channel the overflow into specific areas, and modifying the landward slope of the levees to accommodate the overtopping flow with minimum damage to the levees.

The mitigation element provided greater storage area during flood events, reduced the upstream levels during these flood events, and reduced the damage caused by levee breaches.

Individual Assistance Program

The Individual Assistance Program provides various forms of assistance to individuals adversely affected by a major disaster. Two programs that provide opportunities for hazard mitigation are the Individual and Family Grant Program and the Temporary Housing Program.

Individual and Family Grant Program. The Individual and Family Grant Program, authorized under Section 411, can be used by individuals to fund limited hazard mitigation activities. The Individual and Family Grant Program provides funding to states for the purpose of making grants to individuals or families for serious and unmet disaster-related needs. The Individual and Family Grant awards may be used to take minimum protective measures required to protect homes against the immediate threat of damage from events such as additional rain, flooding, erosion, or wind. Examples of minimum protective measures include installing retaining walls or sump pumps.

Temporary Housing and the Minimal Repair Program. The Temporary Housing Program, authorized under Section 408, can be used to provide temporary housing to disaster victims whose homes are uninhabitable. In lieu of other forms of temporary housing assistance, the Minimal Repair Program grants individuals home repair funds to make their homes safe, sanitary, and secure, facilitating a quick return to the damaged homes.

In addition to the programs above, it is important to mention the Small Business Administration, which is the most significant potential source of hazard mitigation funding for individuals.

Small Business Administration

The Small Business Administration is an important Federal agency that provides disaster assistance loans to individuals. Small Business Administration loans are available for any privately owned property, including businesses and residences. The low interest loans are provided to rebuild a damaged building, including the cost of bringing a building up to the building code standards. The loans can pay for code-required floodproofing of substantially damaged buildings and some smaller projects that are not required by code. At the applicant's request, loans may be increased by up to 20 percent of the amount of the loan for necessary or appropriate hazard mitigation measures.

Hazard Mitigation Program

The Hazard Mitigation Program offers the greatest opportunities for accomplishing hazard mitigation activities. These occur through both pre- and post-disaster programs.

Pre-Disaster Programs. There are two pre-disaster programs within the Disaster Assistance Programs Division that provide funding assistance for mitigation activities and support mitigation objectives -- the Disaster Preparedness Improvement Grant and Hazard Mitigation Assistance Programs.

Disaster Preparedness Improvement Grant Program. Section 201 of the Stafford Act authorizes the Disaster Preparedness Improvement Grant Program. Matching funds on a 50/50 cost-share basis, not to exceed \$50,000, are made available to the states annually to improve or update their disaster assistance plans and capabilities. The states are required to complete three program outputs, based on their current program needs, and one or more optional program outputs, to meet their specific disaster-related needs. States can use these funds to develop pre-disaster hazard mitigation plans, expand an existing hazard mitigation plan, develop hazard specific annexes, implement measures in a hazard mitigation plan, update administrative plans for the implementation of the Hazard Mitigation Grant Program, and pre-identify potential grant program projects.

Use of the
Disaster Preparedness
Improvement Grant
Program to
Pre-identify Potential
Hazard Mitigation
Grant Program Projects

Under the Disaster Preparedness Improvement Grant Program, Pennsylvania has pre-identified potential Hazard Mitigation Grant Program projects. State agencies and counties were solicited, and approximately 100 potential projects were identified. The projects will be prioritized, both on a general basis and by geographical area.

Hazard Mitigation Assistance Program. The Hazard Mitigation Assistance Program provides funding assistance to state and local governments to reduce vulnerability from recurring or potentially severe hazards by supporting hazard mitigation planning activities. The focus of the program is on hazard mitigation plans, including activities such as updating plans, implementing measures identified in hazard mitigation plans, developing local hazard mitigation plans, developing state legislation, or adopting local ordinances.

Use of the
Hazard Mitigation
Assistance Program to
Fund Mitigation
Activities

Utah developed a general Urban/Wildfire Annex to the State Hazard Mitigation Plan prior to a major wildfire in August 1990. The state used Hazard Mitigation Assistance funds to expand this annex to the plan, identifying specific mitigation recommendations, linking the development of the plan to the development of legislation and ordinances for building codes and zoning, and developing a public information program. The plan specifically assists the area affected by the 1990 fire, but the recommendations would be applicable statewide.

Hazard Mitigation Assistance funds are also being used to develop two local hazard mitigation projects in Kentucky. The goal of each project is to establish local programs that can be utilized in other jurisdictions. The projects will involve the selection and training of a Local Hazard Mitigation Officer and Team in each jurisdiction, development of a local public information program, and development of a local hazard mitigation plan.

Funding for the Hazard Mitigation Assistance Program is very limited. States compete for these funds on a regional basis. Program guidelines, eligibility requirements, proposal ranking criteria, and application deadlines can be obtained from the FEMA regional Hazard Mitigation Officer (a list of FEMA regional Hazard Mitigation Officers is included as Appendix A).

Post-Disaster Programs. There are several post-disaster activities and programs that support mitigation. These are discussed in the following section.

Hazard Mitigation Survey Teams. Hazard Mitigation Survey Teams identify hazard mitigation opportunities, particularly those to be addressed in the state hazard mitigation plan and possible measures to be funded under the Hazard Mitigation Grant Program. The Hazard Mitigation Survey Team consists of FEMA, state, and appropriate local government representatives, and representatives of other Federal agencies, as necessary. The survey team is responsible for developing and distributing a report 15 days after the disaster declaration.

For flood disasters, the Interagency Hazard Mitigation Team serves the same function as the Hazard Mitigation Survey Team. Interagency Hazard Mitigation Teams are formed under an Office of Management and Budget directive, and subsequent Interagency Agreement, issued to 12 Federal agencies. The directive requires these agencies to develop common post-flood recovery policies and to alleviate any future exposure of Federal investments to a similar hazard. This directive was issued on July 10, 1980 and is entitled Nonstructural Flood Protection Measures and Flood Disaster Recovery.

Post-Disaster Mitigation Planning. In addition to the emphasis on the repair of facilities to applicable codes and standards, Section 409 of the Stafford Act also requires state and local governments to evaluate the natural hazards in the designated disaster area, and to take appropriate actions to mitigate such hazards.

Section 409 of
the Stafford Act

. . . As a further condition of any loan or grant made under the provisions of this Act, the state or local government shall agree that the natural hazards in the areas in which the proceeds of the grants and loans are to be used shall be evaluated and appropriate action shall be taken to mitigate such hazards, including safe land use and construction practices, in accordance with standards prescribed or approved by the President after adequate consultation with appropriate elected officials of general purpose local governments, and the state shall furnish such evidence of compliance with this section as may be required by regulation.

44 CFR Part 206 Subpart M provides the regulations to implement Section 409. In order to evaluate the hazards, Subpart M requires state and local governments to prepare and implement hazard mitigation plans. In these plans, state and local governments evaluate the natural hazards in the disaster area and identify appropriate actions to mitigate the risk from these hazards.

FEMA can provide, and/or coordinate, technical assistance to state and local governments to support hazard mitigation planning efforts. Hazard mitigation planning is a condition for receiving Federal disaster assistance under Section 409 of the Stafford Act, and a prerequisite for eligibility for the Hazard Mitigation Grant Program under Section 404. (Additional information regarding disaster planning can be found in Post-Disaster Hazard Mitigation Planning Guidance for State and Local Governments, FEMA, DAP-12.)

Hazard Mitigation Grant Program. The Hazard Mitigation Grant Program, the topic of this handbook, was established by Section 404 of the Stafford Act to fund state and local post-disaster mitigation measures. The Hazard Mitigation Grant Program is designed by law to provide a source of funding for mitigation measures identified in post-disaster hazard mitigation plans required under Subpart M, however, recommendations of the Interagency Hazard Mitigation Team and/or Hazard Mitigation Survey Team and other mitigation plans or programs can also be used to identify projects for possible funding.

Section 404 of
the Stafford Act

SECTION 404

The President may contribute up to 50 percent of the cost of hazard mitigation measures which the President has determined are cost-effective and which substantially reduce the risk of future damage, hardship, loss, or suffering in any area affected by a major disaster. Such measures shall be identified following the evaluation of natural hazards under Section 409 and shall be subject to approval by the President. The total of contributions under this section for a major disaster shall not exceed 10 percent of the estimated aggregate amounts of grants to be made under Section 406 with respect to such major disaster.

Federal funds will be available on a 50 percent cost-share basis up to 10 percent of the initial estimate of the Federal share of permanent restorative work and administrative costs authorized under the Public Assistance Program. The state and/or local share may be met with cash or with in-kind services.

Executive Orders. Any Federal actions taken within floodplains and wetlands, including mitigation actions taken under the Hazard Mitigation Grant Program, are subject to the requirements of Executive Orders 11988, Floodplain Management, and 11990, Protection Of Wetlands. Any Federal actions in a seismic zone are subject to the requirements of Executive Order 12699, Seismic Safety of Federal and Federally Assisted or Regulated New Building Construction. These requirements must be applied prior to approval of any Federal disaster assistance for construction or development.

National Environmental Policy Act. In addition, Federal actions must comply with the National Environmental Policy Act and other appropriate environmental legislation. National Environmental Policy Act regulations (43 FR 55978, 1978), developed by the Council on Environmental Quality, require that Federal agencies adopt procedures to supplement the regulations. FEMA has developed and published these procedures at 44 CFR Part 10. These regulations and procedures require Federal agencies, including FEMA, to carry out their responsibilities in a manner that ensures that all practical means and measures are used to protect, restore, and enhance the quality of the environment; or to avoid or minimize adverse environmental consequences. These regulations and procedures must be adhered to as part of the requirements for FEMA's participation in the Hazard Mitigation Grant Program.

CHAPTER 3

**INTRODUCTION TO THE HAZARD
MITIGATION GRANT PROGRAM**

**INTENT AND SUMMARY OF SECTION 404 AND
SUBPART N**

Intent

The intent of the Hazard Mitigation Grant Program under Section 404 of the Stafford Act is to reduce the risk of future damage, hardship, loss, or suffering as a result of major disasters by providing substantial financial support to implement cost-effective hazard mitigation measures. These measures are to be identified as part of the mitigation planning process required of state and local governments as a condition of receiving Federal disaster assistance.

The goals of the Hazard Mitigation Grant Program are twofold.

1. Contributing to the development of a long-term, comprehensive mitigation program by funding measures corresponding with the goals of the state hazard mitigation plan, and
2. Taking advantage of post-disaster opportunities identified through the Hazard Mitigation Survey Team or Interagency Hazard Mitigation Team process or other mechanisms.

The availability of funds under the Hazard Mitigation Grant Program provides states with the incentive and capability to implement mitigation measures that may not have been previously feasible. Implementation of mitigation measures reduces future disaster losses and helps contribute to a comprehensive state hazard mitigation program.

Summary

Federal assistance under the Hazard Mitigation Grant Program shall not exceed 10 percent of the estimated permanent work under the Public Assistance Program, Section 406 of the Stafford Act. FEMA may contribute up to 50 percent of the cost of measures approved for funding under the Hazard Mitigation Grant Program.

At the time of a disaster declaration, FEMA will provide the state with an estimate of available funds. The initial estimate will be based on best available information, and will be refined as more accurate damage information is received. This initial estimate is usually based on information received from the Preliminary Damage Assessment.

To determine the amount of program funds available to a state, the Federal Hazard Mitigation Officer will coordinate with the Federal Public Assistance Officer. To calculate Hazard Mitigation Grant Program funding estimates, FEMA follows these steps:

1. Examines Damage Survey Reports to determine estimated costs;
2. Reviews suspended Damage Survey Reports to ascertain anticipated costs;
3. Identifies costs of other Public Assistance projects;
4. Determines administrative costs, which are automatically calculated. (These costs are explained in greater detail in Chapter 8.)
5. Totals costs from Steps 1-4.
6. Calculates the Federal share (75%) of total in Step 5.
7. Authorizes funding for 10% of the Federal share.

For large disasters, it may be some time before a state receives a final determination of available funding under the Hazard Mitigation Grant Program. For these events, a state may wish to prioritize and fund projects in phases, while a final determination of available funding is being calculated.

Measures meeting the criteria at 44 CFR 206.434 (b) Subpart N are eligible for funding. Eligible projects include structural and nonstructural measures, such as relocation and/or acquisition of vulnerable structures, retrofitting of facilities, and development or improvement of warning systems. (Project criteria and eligible projects are discussed in Chapter 5.)

Relationship to Other Authorities of Hazard Mitigation Programs.

Subpart N
44 CFR 206.434 (d)

Section 404 funds are not intended to be used as a substitute or replacement to fund projects or programs that are available under other Federal authorities, except under limited circumstances in which there are extraordinary threats to lives, public health, or improved property.

One purpose of the Hazard Mitigation Grant Program is to ensure that critical mitigation measures that can be taken to protect life and property are not lost during the recovery and reconstruction process following a disaster. The Hazard Mitigation Grant Program is not intended to be used as a substitute for other available program authorities. This includes other FEMA programs, such as the Public Assistance Program and Federal Insurance Administration programs, and programs available from other Federal agencies, such as the U.S. Army Corps of Engineers, Small Business Administration, and Soil Conservation Service. These programs and authorities should be examined prior to application for the Hazard Mitigation Grant Program. The Hazard Mitigation Grant Program provides an opportunity to fund measures that cannot be funded under other program authorities.

FEMA does, however, encourage the combination of funds and programs to achieve a common or multi-objective goal.

Subpart N
44 CFR 206.434 (e)

Section 404 funds may be packaged or used in combination with other Federal, state, local, or private funding sources, when appropriate, to develop a comprehensive mitigation solution, though Section 404 funds cannot be used as a match for other Federal funds.

For example, Hazard Mitigation Grant Program funds can be used in conjunction with the Flooded Property Acquisition Program under Section 1362 of the National Flood Insurance Act. For an acquisition project, Section 1362 funds could be used to purchase a number of properties while Hazard Mitigation Grant Program funds could be used to purchase the remaining properties not meeting Section 1362 program criteria.

Packaging
Programs and Funds
to Implement
Mitigation Measures

The city of Frankfort, Kentucky is instituting an acquisition and floodproofing program utilizing a comprehensive funding package, including Hazard Mitigation Grant Program funds. The city is using local funds to provide the required 10% match for Community Development Block Grant funds. These funds will then be used to provide the 50% match for Hazard Mitigation Grant Program funds. The local funds were allocated as part of the local cost-share budget for a U.S. Army Corps of Engineers floodwall, specifically to address areas left unprotected. The city plans to sell land owned by the Urban Renewal Authority and sell and lease back additional land owned by the Board of Education to raise money for additional grant applications, or to supplement the current applications, as necessary.

According to administrative requirements under 44 CFR Part 13, a cost sharing or matching requirement may not be met by costs borne by another Federal grant. Title I of the Housing and Community Development Act of 1974, as amended, states, however, that Community Development Block Grant funds may be used to meet the non-Federal share required by another Federal grant program, as long as the activities are eligible under the Community Development Block Grant Program. These activities include:

- Acquisition of real property;
- Acquisition, construction, reconstruction, or installation of public works;
- Code enforcement; and
- Clearance, demolition, removal, and rehabilitation of buildings and improvements.

Relationship to the Administrative Plan. In order for a state to receive funds, an Administrative Plan must be developed providing procedures for how the Hazard Mitigation Grant

Program is to be administered. Chapter 4 discusses developing and updating these plans.

FEDERAL RESPONSIBILITIES

FEMA is responsible for administering a variety of hazard mitigation programs within the Disaster Assistance Programs Division. Management of these programs is the responsibility of the Federal Hazard Mitigation Officer.

The Federal Hazard Mitigation Officer serves as FEMA's point of contact for the State Hazard Mitigation Officer. The Federal Hazard Mitigation Officer coordinates Interagency Hazard Mitigation Team or Hazard Mitigation Survey Team activities and the development of the state hazard mitigation plan with the State Hazard Mitigation Officer. Under the Hazard Mitigation Grant Program, the Federal Hazard Mitigation Officer can provide technical assistance and guidance to the state through the State Hazard Mitigation Officer to ensure that acceptable plans and projects are being developed.

FEMA is responsible for keeping the state apprised of the anticipated amount of funding to be available under the Hazard Mitigation Grant Program and for notifying the state of the final amount of available funding. Funds will not be awarded until the state has developed an approved Administrative Plan.

The Federal Hazard Mitigation Officer can provide technical assistance to the State Hazard Mitigation Officer in developing the Administrative Plan, including the review of plan drafts. Once the plan has been submitted to FEMA, the Federal Hazard Mitigation Officer is responsible for reviewing the plan to ensure it addresses the minimum criteria under 44 CFR 206.437 (b). These criteria are discussed in Chapter 4.

Within 30 days of plan submittal, FEMA will notify the state in writing as to whether the plan is approved or not. If the plan is not approved, FEMA will detail the deficiencies and the steps necessary for correction. The plan approval process also applies to Administrative Plan updates or revisions that may be required after each subsequent presidential disaster declaration.

The Federal Hazard Mitigation Officer should ensure that the state notifies FEMA of their intent to participate or not participate in the Hazard Mitigation Grant Program within 60 days of the disaster (Figure 1 details the sequence of events for the Hazard Mitigation Grant Program).

It is also the Federal Hazard Mitigation Officer's responsibility to work with the State Hazard Mitigation Officer to identify and notify potential applicants for the Hazard Mitigation Grant Program and to conduct Hazard Mitigation Grant Program Applicant Briefings.

Once a project application has been submitted by the state, the Federal Hazard Mitigation Officer is responsible for reviewing and evaluating each project in terms of overall eligibility and determining whether the minimum project criteria have been met. The criteria are designed to ensure that the most cost-effective and appropriate projects are selected for funding. The project review will determine the following:

- Whether all required project information has been submitted;
- What the overall eligibility status of each project is; and
- Whether funds will be obligated for each project, and if so, how much will be obligated.

Among the requirements of Hazard Mitigation Grant Program projects is a cost-estimate of the measure. It is the responsibility of the Federal Hazard Mitigation Officer to determine if the project costs provided by the applicant, and reviewed by the state, are eligible. Project costs may include costs for the use of construction equipment. If applicant-owned equipment is used, equipment costs should be based upon the Schedule of Equipment Rates (Appendix E) which represent reasonable applicant-owned equipment costs. These rates have been developed by FEMA and cover all costs eligible under P.L. 93-288, as amended. Eligible costs might be lower than the applicant's estimated project costs when the project contains items that are non-essential or not related to mitigation, or when the applicant's estimate of the project is deemed excessively high by FEMA. If necessary, the applicant can appeal the final determination of eligible costs (Chapter 8 provides additional details on the appeals process).

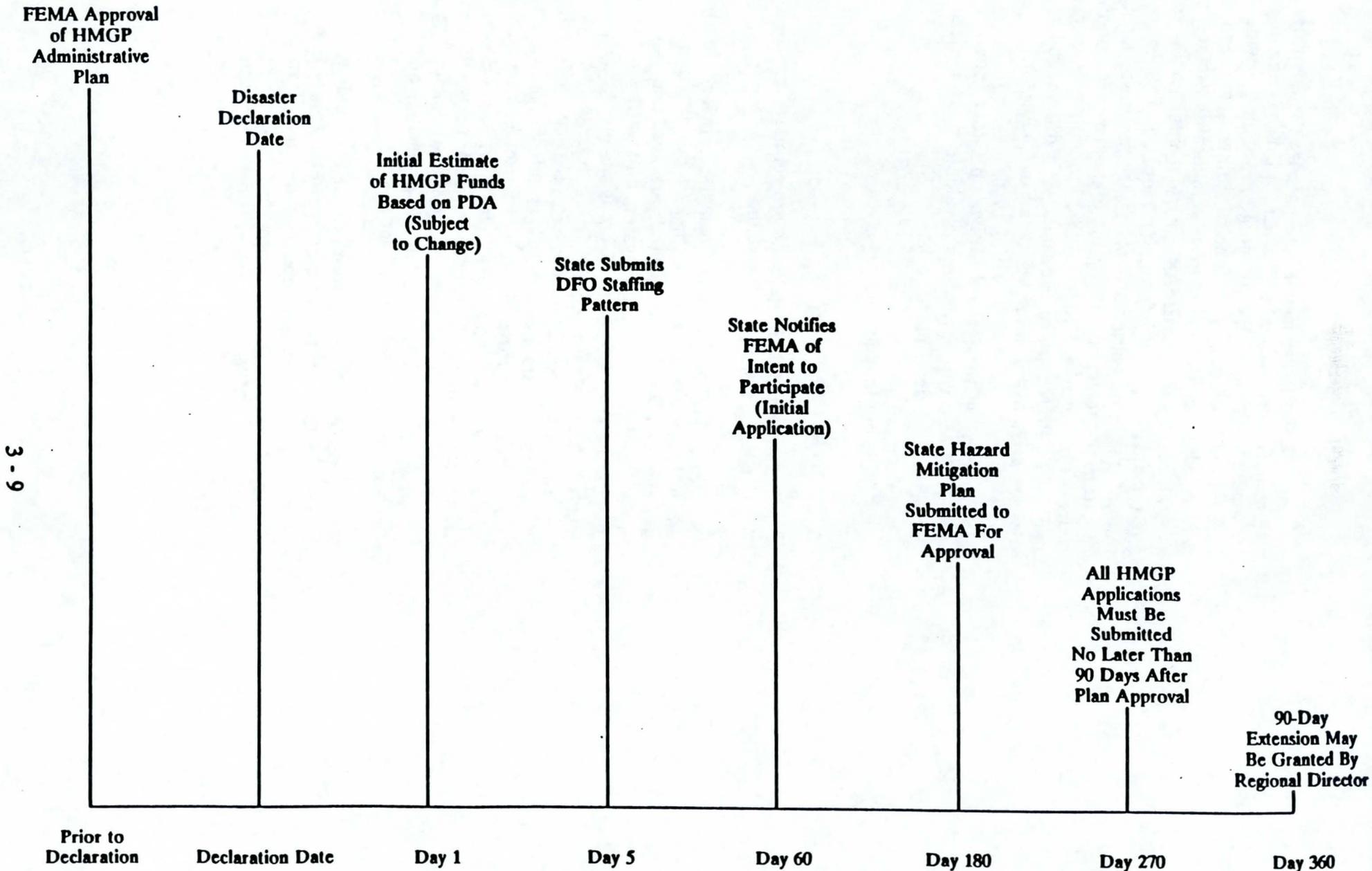


FIGURE 1: HAZARD MITIGATION GRANT PROGRAM SEQUENCE OF EVENTS

It is also FEMA's responsibility to prepare the environmental document (Environmental Assessment or Environmental Impact Statement), although the subgrantee should provide basic information, including any special studies that need to be performed. FEMA shall provide technical assistance to the subgrantee regarding FEMA's environmental review process and the environmental information required. Proper preparation of the environmental document may also satisfy the requirements for documenting the eight-step decision-making process of Executive Orders 11988, Floodplain Management, and 11990, Protection of Wetlands. (Environmental requirements are discussed in further detail in Chapter 5.)

Upon receipt of the Hazard Mitigation Grant Program application, FEMA will review and evaluate each project. The project will be determined to be:

- Eligible for funding;
- Ineligible for funding; or
- Suspended, indicating the project may be eligible but is lacking essential information.

Notification of project status will be provided to the state within 45 days. FEMA will obligate funds at the time projects are approved or as soon as funds are available. When funds for a specific project are obligated, an award will be made in the SMARTLINK system. This is an on-line system which enables the state to request funds directly from its remote personal computer. The objective of the SMARTLINK System is to enable the state to withdraw cash from the Department of the Treasury concurrently with disbursements. Once projects are approved, there may be a delay of up to a week before the funds are available for drawdown. If projects are determined to be ineligible or suspended, FEMA will notify the state in writing of any deficiencies in the project(s), and the actions necessary to correct the deficiencies.

Once projects have been approved for funding, the state is required to submit quarterly progress reports indicating the status of each project funded under the Hazard Mitigation Grant Program. It is the responsibility of the Federal Hazard Mitigation Officer to ensure that the state meets this requirement.

Under 44 CFR 206.440 Subpart N, a process has been established for subgrantees to appeal determinations by FEMA for Federal assistance. The Federal Hazard Mitigation Officer will ensure that the State Hazard Mitigation Officer understands the appeals procedures available to the grantee and the subgrantee, and that these procedures are adequately addressed in the state's Administrative Plan.

GRANTEE RESPONSIBILITIES

The key responsibilities of the state, as the grantee, are to administer and manage the Hazard Mitigation Grant Program and the funds available under this program. These responsibilities result from the administrative requirements under 44 CFR Part 13. While the Governor's Authorized Representative has signatory authority for all disaster assistance programs, it is the State Hazard Mitigation Officer who manages the program.

Subpart N
Requirement
44 CFR 206.433 (c)

The state must appoint a Hazard Mitigation Officer, as required under 44 CFR Part 206 Subpart M, who serves as the responsible individual for all matters related to the Hazard Mitigation Grant Program.

This entails developing the Administrative Plan for the program, with subsequent updates or revisions that may be required after each major disaster declaration, identifying and selecting hazard mitigation projects, and managing program funds. To assist with these tasks, the State Hazard Mitigation Officer should utilize the State Hazard Mitigation Team.

Subpart N
Requirement
44 CFR 206.437 (a)

The state shall develop a plan for administration of the Hazard Mitigation Grant Program.

Under 44 CFR Part 206.437 (b) Subpart N, the plan is required to include specific elements, including staffing information for management of the grant program and procedures for program operation.

Subpart N
Requirement
44 CFR 206.437 (c)

The state must submit the Administrative Plan to the FEMA Regional Director for approval.

Hazard Mitigation Grant Program funds will not be awarded until the state has an approved Administrative Plan. The interim regulations for the Hazard Mitigation Grant Program, issued on May 22, 1989, required all states to develop administrative plans within 180 days of publication of the regulations. Virtually all states now have an Administrative Plan for the grant program.

Subpart N
Requirement
44 CFR 206.437 (c)

Following each major disaster declaration, the state shall prepare any updates, amendments, or plan revisions required to meet current policy guidance or changes in the administration of the Hazard Mitigation Grant Program.

After each presidential disaster declaration, the state shall review the existing Administrative Plan and make updates or revisions as necessary. The state may find a need to revise certain procedures, include additional forms, or adjust priorities for project selection. Program policy may have also changed necessitating the inclusion of current program information. States can accomplish these actions annually under the Disaster Preparedness Improvement Grant Program. The Administrative Plan should also include the staffing pattern needed to implement the Hazard Mitigation Grant Program. This will be the basis for determining state management costs.

Subpart N
Requirement
44 CFR 206.436 (c)

Within 60 days of the disaster declaration the state will notify FEMA in writing of its intent to participate or not participate in the Hazard Mitigation Grant Program.

This is performed by the Governor's Authorized Representative, who serves as the grant administrator for all funds provided under the Hazard Mitigation Grant Program, as well as funds authorized under other disaster programs. Notification by the state is usually accomplished through a letter of intent, which is discussed in Chapter 7.

The Governor's Authorized Representative's responsibilities include providing technical advice and assistance to eligible subgrantees, and ensuring that all potential applicants are aware of the funding assistance available under the Hazard Mitigation Grant Program and the documents necessary for program application. The State Hazard Mitigation Officer is usually responsible for developing material submitted by the Governor's Authorized Representative and for assisting the Governor's Authorized Representative in meeting these responsibilities.

Subpart N
Requirement
44 CFR 206.435 (a)

It is the state's responsibility to identify and select hazard mitigation projects.

The state is responsible for soliciting and reviewing Hazard Mitigation Grant Program proposals from applicants, and for preparing and submitting them to FEMA in accordance with procedures set forth in the state's Administrative Plan.

A critical element of successful mitigation planning is the involvement of key state agencies, local units of government, and other public or private organizations. The formation of a State Hazard Mitigation Team provides a means to encourage participation by these groups. Duties of the team may include evaluating hazards, identifying strategies, coordinating resources, and implementing measures that will reduce the vulnerability of people and property to damage from hazards. The State Hazard Mitigation Officer should utilize, at a minimum, the State Hazard Mitigation Team to assist in the identification and selection of hazard mitigation projects. (State Hazard Mitigation Teams are discussed in further detail in Chapters 4 and 6.)

The state is responsible for reviewing project applications to ensure that potential projects meet eligibility criteria, including project costs. Where appropriate, project costs should be based on FEMA's Schedule of Equipment Rates. Procedures for identifying and selecting projects are to be included in the Administrative Plan, and are discussed in further detail in Chapter 4.

Projects funded under the Hazard Mitigation Grant Program must be consistent with the state's hazard mitigation plan.

Hazard mitigation projects may be identified through the state hazard mitigation plan, recommendations of post-disaster mitigation teams, plans prepared under other programs, or independent mitigation plans.

Projects Identified
Through
Other Plans

The California Seismic Safety Commission developed California at Risk: Reducing Earthquake Hazards 1987-1992. After the Loma Prieta earthquake, this document was adopted as the State Hazard Mitigation Plan. Although it was developed by an independent organization, the plan met the Section 409 planning requirements. When prioritizing categories for Hazard Mitigation Grant Program funding, the state used the initiatives outlined in California at Risk in conjunction with the recommendations made by the Hazard Mitigation Survey Team.

Subpart N
Requirement
44 CFR 206.435 (b)
44 CFR 206.433 (b)

The state will establish procedures and priorities for the selection of mitigation measures, and will determine priorities for funding.

The criteria must be consistent with 44 CFR 206.434 (b) Subpart N (detailed guidance on project criteria is provided in Chapter 5). These criteria ensure that the most cost-effective and appropriate projects are selected. The criteria also state that projects should be in conformance with the state's hazard mitigation plan so that the projects are part of an overall mitigation strategy. Consideration should also be given to measures designed to accomplish multiple objectives. (Project identification, selection, and criteria are discussed in Chapter 6.)

Subpart N
Requirement
44 CFR 206.436 (d)

Upon identification of mitigation measures, the state will submit its Section 404 hazard mitigation application to FEMA.

The Hazard Mitigation Grant Program application will identify the measures to be funded and include appropriate documentation. (Application procedures are explained in detail in Chapter 7.)

Subpart N
Requirement
44 CFR 206.438 (c)

The state shall submit quarterly progress reports to FEMA indicating the status and completion date for each measure funded.

Quarterly progress reports should be brief, and include a narrative section describing any problems affecting project completion, scope of work, or project costs. The state's Administrative Plan should address how the state intends to meet this reporting requirement. (Quarterly progress reports are discussed further in Chapter 8.)

Subpart N
Requirement
44 CFR 206.438 (a)

The state is serving as the grantee and has primary responsibility for project management and accountability of funds as indicated in 44 CFR Part 13.

Hazard Mitigation Grant Program funds are awarded to the state which is responsible for disbursement to subgrantees. The state's Administrative Plan is required to include procedures for processing requests and transferring funds to subgrantees. (Reporting procedures and project management responsibilities are described in Chapter 8.)

Subpart N
Requirement
44 CFR 206.438 (a)

As grantee, the state is also responsible for ensuring that subgrantees meet all program and administrative requirements.

The state may accomplish this by providing subgrantees with information concerning project criteria, types of eligible projects, and application procedures. This will ensure that projects submitted by subgrantees meet program requirements and that project applications are complete for state submission to FEMA.

To assist the subgrantee in meeting administrative requirements, the state may want to develop quarterly progress report forms and financial record forms to facilitate program management.

SUBGRANTEE RESPONSIBILITIES

Subgrantees include state agencies, local governments, eligible private non-profit organizations, or Indian tribes. Subgrantees apply for Hazard Mitigation Grant Program funds from the grantee.

Subgrantees should establish a point of contact for each Hazard Mitigation Grant Program project. The designated contact is responsible for monitoring project activity, keeping the state apprised of the project schedule, maintaining financial records to document all project expenditures, and providing quarterly progress reports on project activities to the State Hazard Mitigation Officer.

Though the state is responsible for submitting the Hazard Mitigation Grant Program application, the state will rely on the subgrantee to submit a complete project application package that can be forwarded to FEMA. As part of the project application, the subgrantee will describe potential environmental impacts of the project. (Chapter 5 discusses environmental requirements and Appendix F provides additional guidance to assist the subgrantee in fulfilling these requirements.) This information will assist FEMA in determining whether to prepare an Environmental Assessment or Environmental Impact Statement.

Under 44 CFR, Part 10, Environmental Considerations, subgrantees are expected to:

1. Contact FEMA as early as possible in the planning process for guidance on the scope and level of environmental information required to be submitted in support of their application.

(Continued)

44 CFR
10.7 (c) (2) (i) - (vi)

44 CFR
10.7 (c) (2) (i) - (vi)
(Continued)

2. Conduct any studies which are deemed necessary and appropriate by FEMA to determine the impact of the proposed action on the human environment.
3. Consult with appropriate Federal, regional, state, and local agencies and other potentially interested parties during preliminary planning stages to ensure that all environmental factors are identified.
4. Submit applications for all Federal, regional, state, and local approvals as early as possible in the planning process.
5. Notify FEMA as early as possible of all other Federal, regional, state, local, and Indian tribe actions required for project completion so that FEMA may coordinate all Federal environmental reviews.
6. Notify FEMA of all known parties potentially affected by or interested in the proposed action.

The state will review the project application package received from the subgrantee and will request additional information, if needed. If the project application is approved, and funds are available, the state will forward it to FEMA for review and approval.

Subpart N
Requirement
44 CFR 206.440 (a)

The subgrantee may appeal any determination previously made related to Federal assistance for a subgrantee. The subgrantee's appeal shall be made in writing and submitted to the grantee within 60 days after receipt of a notice of action which is being appealed.

The state will notify the subgrantee if a project is not approved. After the subgrantee receives this notice of action, it may appeal the decision to the state. If denied by the state, the subgrantee can appeal the decision to the FEMA Regional Director, Associate Director, and Director, respectively. The decision of the Director is final. (The appeals process is discussed further in Chapter 8.)

CHAPTER 4

**DEVELOPING AND UPDATING
ADMINISTRATIVE PLANS**

Chapter 4:**DEVELOPING AND UPDATING
ADMINISTRATIVE PLANS**

INTRODUCTION

In order to be eligible to receive funds under the Hazard Mitigation Grant Program, the state must have an approved State Hazard Mitigation Grant Program Administrative Plan. This plan outlines the procedures for administration of the program and management of program funds. The plan shall be revised after each major disaster declaration to take into account changes in the administration of the program or in current program policy. The plan should be incorporated as either a separate chapter or annex to the state's emergency response or operations plan.

MINIMUM CRITERIA

At a minimum, the Administrative Plan must include the following items:

- (1) Designation of the state agency responsible for program administration;
- (2) Identification of the State Hazard Mitigation Officer responsible for all matters related to the Hazard Mitigation Grant Program;
- (3) Determination of staffing requirements and sources of staff necessary for administration of the program;

(Continued)

Subpart N
Requirement
44 CFR 206.437 (b)

Subpart N
Requirement
44 CFR 206.437 (b)
(Continued)

- (4) Establishment of procedures to:
- (i) Identify and notify potential applicants (subgrantees) of the availability of the program;
 - (ii) Ensure that potential applicants are provided information on the application process, program eligibility, and key deadlines;
 - (iii) Determine applicant eligibility;
 - (iv) Conduct environmental and floodplain management reviews;
 - (v) Establish priorities for selection of mitigation projects;
 - (vi) Process requests for advances of funds and reimbursement;
 - (vii) Monitor and evaluate the progress and completion of the selected projects;
 - (viii) Review and approve cost overruns;
 - (ix) Process appeals;
 - (x) Provide technical assistance as required to subgrantee(s);
 - (xi) Comply with the administrative requirements of 44 CFR Parts 13 and 206;
 - (xii) Comply with audit requirements of 44 CFR Part 14; and
 - (xiii) Provide quarterly progress reports to the Regional Director on approved projects.

Designation of the Responsible State Agency

The Governor's Authorized Representative is responsible for designating the agency to administer the Hazard Mitigation Grant Program. Typically, this is the state emergency management agency. This agency usually manages state responsibilities for Federal and state disaster assistance and, in many states, is responsible for meeting the post-disaster hazard mitigation planning requirement.

Identification of the State Hazard Mitigation Officer

The Governor's Authorized Representative appoints the State Hazard Mitigation Officer. The State Hazard Mitigation Officer is frequently an employee of the emergency management agency but can also be assigned from other state agencies, such as the Department of Natural Resources or the Governor's Office.

While the Governor's Authorized Representative is responsible for administering funds under the Hazard Mitigation Grant Program, it is the State Hazard Mitigation Officer who serves as program manager.

In addition to Hazard Mitigation Grant Program duties, the State Hazard Mitigation Officer is usually responsible for meeting the post-disaster hazard mitigation planning requirement and for coordinating state and local agency participation on post-disaster mitigation teams. Many of these activities will overlap immediately after a disaster, therefore, the State Hazard Mitigation Officer should ensure that there is adequate staff to address the state's mitigation responsibilities.

Determination of Staffing for Program Administration

Staffing Requirements. The Administrative Plan should describe the staffing necessary to manage the grant program. The state may wish to designate the minimum number of personnel, with type of position, needed for the program; however, the organizational structure of the staff should remain flexible and capable of expansion as necessary.

The State Hazard Mitigation Officer may require an assistant or program specialist to assist with grant program activities. The State Hazard Mitigation Officer may also require administrative, clerical, computer, and financial management support.

Due to post-disaster activities and requirements, or the size of a disaster, it may be necessary to appoint or hire additional staff to assist the State Hazard Mitigation Officer in managing the grant program. An initial hazard mitigation staffing pattern shall be submitted to FEMA within five days of the opening of a Disaster Field Office.

These staffing requirements serve as the basis for determining state management costs (discussed in Chapter 8). A sample staffing pattern from the state of Minnesota is included on the following page as Figure 2.

Sources of Staffing. The state may rely on other emergency management agency staff, personnel from other state agencies, or the State Hazard Mitigation Team to assist and support the efforts of the State Hazard Mitigation Officer.

For those states that do not have a formalized State Hazard Mitigation Team, a team may be established at the time of the disaster through a Memorandum of Understanding, an Executive Order, or other similar mechanism, usually between the Governor's Office or State Hazard Mitigation Officer's agency and other state agencies. The instrument that establishes the state team should define the authority, purpose, and responsibility of agency members. The team members designated by agency directors can assist with hazard mitigation activities related to the Hazard Mitigation Grant Program, the post-disaster hazard mitigation planning requirement, and other ongoing activities of the state hazard mitigation program. (Chapter 4 of the Post-Disaster Hazard Mitigation Planning Guidance for State and Local Governments [DAP-12] discusses the development of State Hazard Mitigation Teams in detail.)

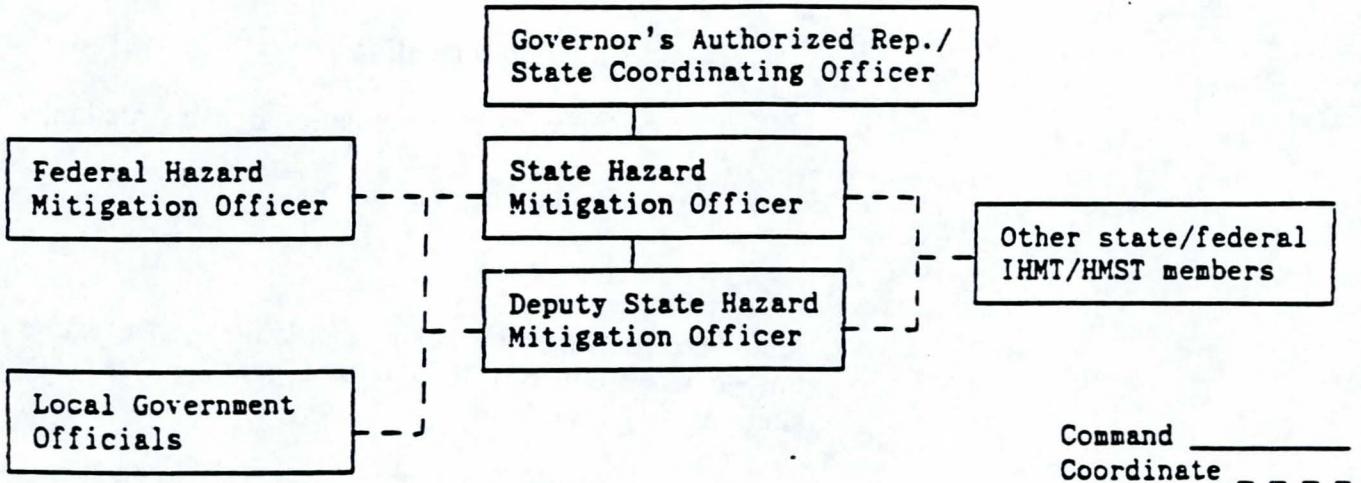
A State Hazard Mitigation Team may include, but is not limited to, agencies involved with:

- Emergency management;
- Natural resources;
- Floodplain management;

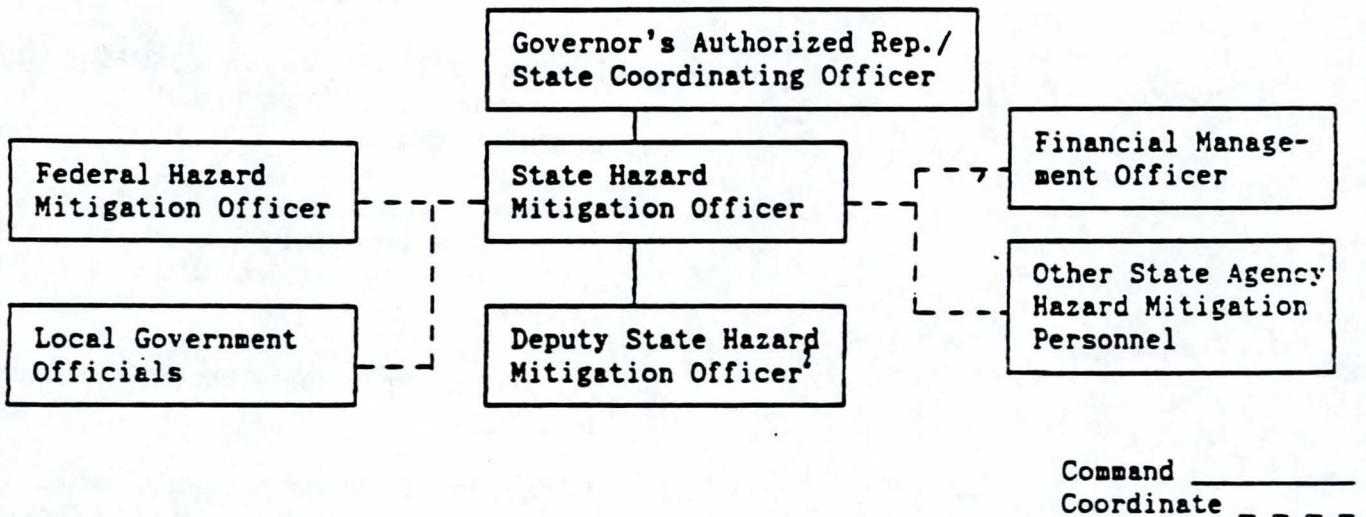
V. ORGANIZATION AND STAFFING ASSIGNMENTS

A. Organization

1. During Disaster Field Office (DFO) Operations



2. Post-Disaster Field Office (DFO)



²Depending upon the scope of the disaster and the extent of the Hazard Mitigation Grant Program that is implemented, this position may or may not be filled.

FIGURE 2: ORGANIZATION AND STAFFING PATTERN
STATE OF MINNESOTA

- Environmental regulations;
- Planning and zoning;
- Community development;
- Building regulations;
- Infrastructure regulation or construction;
- Public information; and
- Insurance.

State Hazard Mitigation Teams should meet on a regular basis, but no less frequently than once a year. A team's responsibilities may include:

- Identifying a state's vulnerability to hazards;
- Reviewing existing mitigation plans and prioritizing recommendations;
- Developing a comprehensive strategy for the development and implementation of a state mitigation program;
- Reviewing, prioritizing, and recommending mitigation actions for implementation, including measures to be funded under the Hazard Mitigation Grant Program;
- Seeking funding for implementation of mitigation measures;
- Developing or updating post-disaster hazard mitigation plans required under 44 CFR Subpart M; and
- Preparing periodic status reports and an annual report for the Governor and state legislature.

The state should also request local governments in the affected disaster area to appoint Local Hazard Mitigation Officers to assist with both hazard mitigation grant program and planning activities.

Many states have established interagency review boards or selection teams to assist with reviewing, prioritizing, and recommending projects for Hazard Mitigation Grant Program funding. These activities may be conducted by the State Hazard Mitigation Team, or an expanded group that may include representatives from the state team, in addition to regional and local government officials selected from the Interagency Hazard Mitigation Team/Hazard Mitigation Survey Team and other public or private sector organizations.

Hazard Mitigation Administrative Plan Procedures

The Administrative Plan is required to establish procedures for the following activities. Methods that can be incorporated in developing procedures are described for each of these activities.

Subpart N
Requirement
44 CFR
206.437 (b) (4) (i)

1. Identify and notify potential applicants (subgrantees) of the availability of the program.

Identify Potential Applicants. Potential applicants can be identified through various methods.

Once a major disaster authorizing the Public Assistance Program has been declared, the State Hazard Mitigation Officer should consult with the Federal Hazard Mitigation Officer, the Interagency Hazard Mitigation Team or Hazard Mitigation Survey Team, and State and Federal Public Assistance and Individual Assistance Officers. These individuals can assist the State Hazard Mitigation Officer in identifying those jurisdictions which are eligible for Federal assistance and may have potential projects. They may also be able to assess the number of possible applicants. The State Hazard Mitigation Officer should also contact state agencies, including those participating on the State Hazard Mitigation Team, as potential applicants. Additionally, efforts should be made to identify private non-profit organizations and Indian tribes that may be eligible for the Hazard Mitigation Grant Program.

Participation on the Preliminary Damage Assessment survey team may help the State Hazard Mitigation Officer identify potential applicants as well as potential projects. Initial

information obtained from this assessment may also provide the State Hazard Mitigation Officer with a general estimate of the amount of potential funds available for the Hazard Mitigation Grant Program.

Notify Potential Applicants. Following their identification, potential applicants should be notified of the availability of the Hazard Mitigation Grant Program. One of the first opportunities to accomplish this is at the Federal-State Kick-off Meeting. The State Hazard Mitigation Officer should coordinate with the Federal Hazard Mitigation Officer to be placed on the agenda to briefly discuss the Hazard Mitigation Grant Program.

The State Hazard Mitigation Officer should also utilize the Public Assistance Applicants Briefing to present information on the Hazard Mitigation Grant Program. General program information should be disseminated to those communities unable to attend.

Letters should be sent to all potential applicants in the disaster area notifying them of the availability of funds under the Hazard Mitigation Grant Program and inviting them to attend a Hazard Mitigation Grant Program Applicants Briefing. The letter should provide general information on the program and include scheduling information for the Applicants Briefing. A sample notification letter is included below. This may be expanded to address a state's needs.

Dear State and Local Government Agencies/Private Non-profit Organizations/Indian Tribes and Tribal Organizations:

As a result of damage suffered recently in state, the President has declared name county as a major disaster area. This disaster declaration makes federal disaster assistance available to those counties in the disaster area. Federal disaster assistance is authorized under the Stafford Act.

The Stafford Act also authorizes the Hazard Mitigation Grant Program. This programs funds cost-effective hazard mitigation measures. Hazard mitigation is defined as an action intended to reduce repetitive losses from future natural disasters.

(Continued)

Suggested
Applicants Briefing
Invitation Letter

Suggested
Applicants Briefing
Invitation Letter
(Continued)

Hazard mitigation projects should, therefore, reduce future disaster relief expenditures for the repair or replacement of public and private property, and expenditures for the relief of personal loss, hardship, and suffering. Federal funds are available for up to 50 percent of the cost of the hazard mitigation measure. To be eligible, projects must satisfy specific criteria.

A briefing on the Hazard Mitigation Grant Program will be held on date, time at location. Eligible applicants include state and local government entities, private non-profit organizations, and Indian tribes. The briefing will provide an overview of the Hazard Mitigation Grant Program and will specifically address:

- Eligibility Criteria;
- Project Identification and Selection;
- Application Process;
- Project Management;
- Technical Assistance; and
- Available Funding.

For additional information, please contact name, title of the state emergency management agency at telephone number.

Sincerely,

State Director

Letters may also be sent to potential applicants outside of the disaster area if it is thought that mitigation projects within those applicants' jurisdictions could reduce losses within the disaster area. For example, watershed improvements such as small dams or erosion control projects might benefit downstream counties that are within the declared disaster area and suffered damage.

Statewide
Direct Mail
Effort

State of Connecticut

In Connecticut, following a disaster declaration for flooding, the State Hazard Mitigation Officer identified additional potential applicants by direct mailing a letter describing the Hazard Mitigation Grant Program to specific groups that, due to the impact of this particular event, might have an increased awareness and incentive to participate. Projects resulting from a statewide mailing, if not located in the disaster area, must have a beneficial impact upon the disaster area.

(Continued)

Statewide
Direct Mail
Effort

State of Connecticut
(Continued)

The statewide mailing targeted the following groups:

- Flood and Erosion Control Boards;
 - CEOs of every community;
 - All Department of Education contacts; and
 - All State Building Code Officials.
-

The State Hazard Mitigation Officer and Federal Hazard Mitigation Officer should use hazard mitigation meetings, training sessions, and briefings to make announcements regarding the Hazard Mitigation Grant Program.

The media can also be used to disseminate information on the availability of the Hazard Mitigation Grant Program. The State Hazard Mitigation Officer should work through the state Public Information Officer to establish media contacts. A press release can be developed by the State Hazard Mitigation Officer announcing the opportunities available through the Hazard Mitigation Grant Program. This can be distributed to newspapers, and radio and television stations.

The following example is from North Dakota. A sample press release is included in Appendix G.

Press Release to Promote
Hazard Mitigation Grant
Program

State of North Dakota

NEWS RELEASE

DATE FOR IMMEDIATE RELEASE

**HAZARD MITIGATION
FUNDING OPPORTUNITIES ANNOUNCED**

Officials of the North Dakota Division of Emergency Management have announced hazard mitigation funding opportunities resulting from the recent (... disaster declaration ...). The funds are made available through the Hazard Mitigation Grant Program.

Eligible applicants for the Federal grant program include: government entities, private non-profit organizations, and Indian Tribes which sustained losses during the recent disaster. Funding is made available through the Federal Emergency Management Agency (FEMA) on a state/local matching basis. FEMA may contribute up to 50 percent of the cost of measures approved for funding under the program.

(Continued)

**Press Release to Promote
Hazard Mitigation Grant
Program**

**State of North Dakota
(Continued)**

**Subpart N
Requirement
44 CFR
206.437 (b) (4) (ii)**

Proposed projects will typically address (... type ...) hazard mitigation designed to reduce the (... type ...) risk to people and property in North Dakota.

Future briefings will be announced to instruct potential applicants on aspects of the Federal program to include: a general program overview, eligibility requirements, the application process, the selection process, project management, technical assistance, and the nature of funding.

These briefings will be presented by hazard mitigation officials of the North Dakota Division of Emergency Management and the Federal Emergency Management Agency. Members of the State Hazard Mitigation Team, representing various agencies, will be present to provide technical assistance to potential applicants.

Additional information may be obtained by contacting _____ of the North Dakota Division of Emergency Management, at _____.

2. Ensure that potential applicants are provided information on the application process, program eligibility and key deadlines.

The State Hazard Mitigation Officer is responsible for ensuring that all project applications submitted to FEMA are complete. To ensure that complete project applications are submitted by the subgrantee to the state, the State Hazard Mitigation Officer should provide detailed program information to potential applicants to enable them to comply with application requirements.

This can be accomplished by holding a Hazard Mitigation Grant Program Applicants Briefing. FEMA has developed an Applicants Briefing Package for this purpose. The briefing package supplements this handbook and provides program information and support materials to facilitate presentations on the Hazard Mitigation Grant Program.

The agenda used for an applicants briefing in New Hampshire is included on the following page. Appendix H also provides a suggested agenda.

**NEW HAMPSHIRE HAZARD MITIGATION GRANT PROGRAM
INFORMATIONAL BRIEFING
Keene, New Hampshire
December 5, 1990**

**Agenda for
Hazard Mitigation
Applicants Briefing**

State of New Hampshire

- I. Welcome and Introduction
 - II. Overview of Hazard Mitigation Grant Program and Its Relationship to Other Federal/State Hazard Mitigation Programs
 - III. Overview of the New Hampshire Hazard Mitigation Process
 - A. Examples of Hazard Mitigation Projects
 - B. Administrative Plan
 - C. Role of New Hampshire Mitigation Project Committee
 - D. Funding Available and Application Schedule
 - IV. Application Process
 - A. Eligibility
 - B. Project Identification Criteria
 - C. Assistance Available
 - D. Project Selection Criteria
 - E. The Application
 - F. Oversight
 - V. Wrap-up/Next Steps
 - A. Examples of Other State Projects
 - B. Getting Started - Preliminary Application Form
 - VI. Questions and Answers
-

Potential applicants should be provided an "Application Package." Materials should include:

SAMPLE APPLICATION PACKAGE

**Sample
Application Package**

- Hazard Mitigation Grant Program guidelines, including eligibility criteria, types of projects, key deadlines, and a contact for additional information;
- Letter of Intent form for participation in the Hazard Mitigation Grant Program;
- Pre-application form to solicit preliminary information for potential projects;

(Continued)

**Sample
Application Package
(Continued)**

-
- Project application form, including floodplain management, environmental compliance, and cost/benefit information;
 - State-identified priority measures for program funding, if available;
 - Copy of Interagency Hazard Mitigation Team or Hazard Mitigation Survey Team report from current disaster; and
 - Copy of Hazard Mitigation Grant Program Handbook.
-

States should establish a pre-application process to review potential projects. Pre-application forms can assist the state with an initial determination of project eligibility prior to the subgrantee completing the full project application form. This will save time and effort, as well as help prevent the submittal of ineligible projects and the occurrence of possible appeals. A sample pre-application form is included below.

SAMPLE PRE-APPLICATION FORM

**Sample
Pre-Application
Form**

Name of Applicant:

Date:

Project Contact:

Disaster No.:

Location of Project:

Brief Description of Project:

Brief Description of Problems to be Solved:

Total Estimated Cost:

Source of Funding for Non-Federal Share:

Subpart N
Requirement
44 CFR
206.437 (b) (4) (iii)

3. Determine applicant eligibility.

Eligible applicants include state and local governments, private non-profit organizations, and Indian tribes. State agencies, particularly those participating on the State Hazard Mitigation Team, should be contacted as potential applicants. Local governments in the disaster area should be notified, and private non-profit organizations operating qualifying facilities should be considered. Eligible applicants are discussed in further detail in Chapter 5.

Subpart N
Requirement
44 CFR
206.437 (b) (4) (iv)

4. Conduct environmental and floodplain management reviews.

Projects funded under the Hazard Mitigation Grant Program must comply with all appropriate environmental requirements. This includes the National Environmental Policy Act, P.L. 91-190, as amended; Executive Order 11988, Floodplain Management; and Executive Order 11990, Protection of Wetlands. The purpose of these reviews is to assure that all practical means and measures are used to protect, restore, and enhance the quality of the environment. Environmental requirements are discussed in detail in Chapter 5.

Subpart N
Requirement
44 CFR
206.437 (b) (4) (v)

5. Establish priorities for selection of mitigation projects.

The State Hazard Mitigation Officer may receive a number of project applications that, when considered in total, would exceed the maximum available amount of grant program funds.

A system should be in place to prioritize eligible projects for funding. At a minimum, the criteria must be consistent with 44 CFR 206.434 (b) and, according to 44 CFR 206.435 (b), must include:

Subpart N
Requirement
44 CFR 206.435 (b)

- (1) Measures that best fit within an overall plan for development and/or hazard mitigation in the community, disaster area, or state;
- (2) Measures that, if not taken, will have a severe detrimental impact on the applicant, such as potential loss of life, loss of essential services, damage to critical facilities, or economic hardship on the community; and
- (3) Measures that have the greatest potential impact on reducing future disaster losses.

In addition,

Subpart N
44 CFR 206.435 (c)

... consideration should be given to measures that are designed to accomplish multiple objectives, including damage reduction, environmental enhancement, and economic recovery, when appropriate.

States that have established State Hazard Mitigation Teams may use this group to review, rank, and select projects.

Other ranking criteria may include:

- Hazard mitigation objectives and recommendations of the state hazard mitigation plan;
- Recommendations of the Interagency Hazard Mitigation Team or Hazard Mitigation Survey Team report;
- Recommendations of other mitigation plans;
- State evaluation criteria;
- Ability to provide local cost share; and
- Relevant state policies.

Some states have incorporated ranking criteria into evaluation forms that allocate points for projects meeting or exceeding specific objectives. Ranking forms are intended to group or

prioritize eligible projects based on a range of accumulated points. A sample Evaluation Score Sheet has been included in Appendix I.

Subpart N
Requirement
44 CFR
206.437 (b) (4) (vi)

6. Process requests for advances of funds and reimbursement.

The state, as grantee, is responsible for financial administration of the Hazard Mitigation Grant Program. Therefore, the State Hazard Mitigation Officer should understand the state accounting procedures in order to disburse money to subgrantees in a timely manner. A system to disburse Hazard Mitigation Grant Program funds should be established that includes a point of contact, steps involved in requesting and receiving funds, records to be maintained, forms to be used, and a timeline. This is why it may be appropriate to include financial management expertise in the hazard mitigation staffing requirement. The quarterly progress reports the State Hazard Mitigation Officer receives from the subgrantee will provide financial information indicating the status of the project.

Subpart N
Requirement
44 CFR
206.437 (b) (4) (vii)

7. Monitor and evaluate the progress and completion of the selected projects.

FEMA requires that the state submit quarterly progress reports. To meet this requirement, the state requires quarterly progress reports from the applicant in order to monitor project activities and expenditures. The State Hazard Mitigation Officer will review and approve the reports before they are submitted to FEMA. Upon project completion, a final report will be submitted that will include an assessment of project accomplishments and total expenditures.

Subpart N
Requirement
44 CFR
206.437 (b) (4) (viii)

8. Review and approve cost overruns.

During project work, it may be found that actual project costs are exceeding the approved estimates or that the final cost of approved work exceeded approved initial cost estimates.

When cost overruns occur, the applicant may request approval of additional costs. The applicant should submit documentation to support this claim, including invoices, progress reports, etc. The Administrative Plan should describe procedures that the applicant should use in submitting documentation. (Cost overruns are discussed in further detail in Chapter 8.)

Subpart N
Requirement
44 CFR
206.437 (b) (4) (ix)

9. Process appeals.

The subgrantee may appeal any determination on Federal assistance. Appeals should be submitted in writing to the state and include information justifying the subgrantee's position. The appeal should be submitted within 60 days after the subgrantee has received notice of the action being appealed. The state will review the material submitted, make additional investigations as necessary, and forward the appeal to the FEMA Regional Director within 60 days. (The appeals process is described in further detail in Chapter 8.)

Subpart N
Requirement
44 CFR
206.437 (b) (4) (x)

10. Provide technical assistance as required to subgrantee(s).

The State Hazard Mitigation Officer can provide technical assistance to the applicants during the application process and for the duration of the project.

If necessary, the State Hazard Mitigation Officer can coordinate technical assistance from other sources, such as the state agency representatives from the State Hazard Mitigation Team. When additional assistance is necessary, the State Hazard Mitigation Officer can request the Federal Hazard Mitigation Officer to coordinate the provision of Federal technical assistance.

Technical assistance may include:

- Meetings with applicants to provide program guidance;
- Assisting with the identification of appropriate projects;
- Assisting with project applications, specifically environmental and floodplain management considerations and project cost-effectiveness; and
- Providing technical information from appropriate experts, as necessary.

Subpart N
Requirement
44 CFR
206.437 (b) (4) (xi)

11. Comply with the administrative requirements of 44 CFR Parts 13 and 206.

44 CFR Part 13, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, establishes administrative requirements for Federal grants and subgrants. The requirements in Subpart N are based on Part 13. Part 13 addresses various administrative procedures, including:

- Use of a standard application form;
- Requirement that a state plan be developed before grant money can be received;
- Financial management such as payment methods and allowable costs;
- Monitoring of grantee and subgrantee activities through progress reports; and
- Recordkeeping.

44 CFR Part 206, Federal Disaster Assistance for Disasters Declared On or After November 23, 1988, prescribes the policies and procedures to be followed in implementing P.L. 93-288, as amended. This includes the Hazard Mitigation Grant Program under Subpart N.

Subpart N
Requirement
44 CFR
206.437 (b) (4) (xii)

12. Comply with audit requirements of 44 CFR Part 14.

44 CFR 14.2 (b) states that:

. . . recipients of \$25,000 or more, but less than \$100,000, in Federal financial assistance that choose not to have an organization wide single audit must conduct individual grant or contract audits on all FEMA awards over \$25,000.

This requirement applies to all grant assistance provided under the Hazard Mitigation Grant Program. Under the Single Audit Act, applicants receiving \$25,000 or more in Federal assistance in a fiscal year will be required to have an independent audit conducted. If there is evidence of noncompliance, the state should ensure that appropriate corrective action is taken within six months. The state will provide a copy of the audit to the FEMA Inspector General. FEMA may also elect to conduct a Federal audit of the state Hazard Mitigation Grant Program for any of the subgrants.

The subgrantee should maintain complete records of all work, including receipts, checks, job orders, contracts, equipment usage, payroll information, and any other necessary documentation that would be required for an audit.

Subpart N
Requirement
44 CFR
206.437 (b) (4) (xiii)

13. Provide quarterly progress reports to the Regional Director on approved projects.

Applicants shall submit quarterly progress reports to the State Hazard Mitigation Officer for all ongoing projects. Reports should indicate the project status, the anticipated completion date for each project, and financial information. Any problems affecting completion dates, scope of work, or project costs should be described.

The State Hazard Mitigation Officer will review and approve the quarterly reports before submitting them to the Governor's Authorized Representative who will then forward the reports to the Federal Hazard Mitigation Officer.

PLAN FORMAT

There is no required format for the Administrative Plan, though it should be organized to simplify updates and revisions. Sample letters, forms, press releases, application forms, organizational charts, timelines, etc., should be included in an Appendix. These can be replaced as more current examples become available.

PLAN APPROVAL

Before FEMA can award funds under the Hazard Mitigation Grant Program, the state must have an approved Administrative Plan. Interim regulations of May 22, 1989 required states to prepare an Administrative Plan within 180 days of publication of the regulations. As a result of these regulations, all states should now have an existing Administrative Plan.

At a minimum, the plan must include the requirements under 44 CFR 206.437 (b), previously discussed in this chapter, and should address the following concerns:

- Minimum criteria under 44 CFR 206.437 (b), including operational procedures;
- Specific disaster authorities;
- Staff necessary to administer the Hazard Mitigation Grant Program, including identification of State Hazard Mitigation Team members to assist with project identification and selection, environmental reviews, determination of cost-effectiveness, financial management, etc. This will provide a basis for the Federal Hazard Mitigation Officer to approve state management costs for salaries of personnel to administer the Hazard Mitigation Grant Program;
- Process for state to meet Hazard Mitigation Grant Program requirements;

- Relationship of Hazard Mitigation Grant Program to other post-disaster mitigation requirements and activities, particularly the Interagency Hazard Mitigation Team/Hazard Mitigation Survey Team and the post-disaster planning requirement; and
- Inclusion of appendices to assist the state in program administration, such as a sample news release, sample letter to potential applicants, application form, environmental and floodplain management forms, identification of State Hazard Mitigation Team, timeline with program deadlines, and a flow chart of activities.

PLAN UPDATES

Following each major disaster declaration, the state is required to review and update the Administrative Plan. It is, however, recommended that the plan be reviewed annually to ensure it remains current. Updates, amendments, or plan revisions should be submitted to FEMA for review. If updates are not necessary, the state should notify FEMA in writing that the plan was reviewed and it was determined that a plan update was not required. Updates may include new policy guidance or changes in program administration. Annual updates are an eligible activity under the Disaster Preparedness Improvement Grant Program.

CHAPTER 5

PROGRAM ELIGIBILITY

ELIGIBLE APPLICANTS

The following entities are eligible to apply for funding under the Hazard Mitigation Grant Program:

Subpart N
44 CFR 206.434 (a)

1. State and local governments;
2. Private non-profit organizations or institutions that own or operate a private non-profit facility as defined in 44 CFR 206.221 (e); and
3. Indian tribes or authorized tribal organizations and Alaska Native villages or organizations, but not Alaska native corporations with ownership vested in private individuals.

The state emergency management agency is usually the agency designated by the governor to administer the Hazard Mitigation Grant Program. The governor may, however, designate another agency (e.g., Department of Natural Resources) to administer the program. Applicants apply to the responsible agency for program funds.

Potential applicants and projects do not necessarily have to be located within the disaster area but, to be eligible for funding, a project must have an impact on the disaster area.

State Agencies

State agencies, including those on the State Hazard Mitigation Team, should be contacted as potential applicants. Agencies involved with natural resources, geologic hazards, floodplain management, parks and recreation, infrastructure regulation or construction, and community development may have projects that help support hazard mitigation objectives.

Local Governments

All local governments within the disaster area should be contacted as potential applicants. The Individual and Public Assistance Officers can assist with identifying those jurisdictions which are eligible for Federal assistance and may have potential projects.

Private Non-Profit Organizations

Eligibility criteria for private non-profit organizations is the same for the Hazard Mitigation Program as it is for the Public Assistance Program. Private non-profit organizations are eligible if they own and operate certain types of facilities. The types of qualifying facilities can be categorized as follows:

- Medical, including hospitals, outpatient facilities, rehabilitation facilities, or facilities for long-term care;
- Custodial care, such as nursing homes;
- Educational, including elementary and secondary schools, and institutions of higher education;
- Emergency, including fire departments, and ambulance and rescue services;
- Utility, including telephone companies, power companies, and sewage treatment plants;
- Other essential governmental type services which are open to the general public, including museums, zoos, community centers, libraries, homeless shelters, senior citizen centers, rehabilitation centers, and shelter workshops.

Examples of services that would not be considered as an essential government type include political education, advocacy or lobbying, religious service or education, and social events.

In addition to considering the types of facilities, one other criteria must be met. The organization must have:

- An effective ruling letter from the U.S. Internal Revenue Service granting tax exemption under Section 501(c), (d), or (e) of the Internal Revenue Code of 1954, as amended, or
- The state can certify that they are a nonprofit organization under state law.

A project submitted by an applicant must also meet specific eligibility criteria before it can be approved for funding. A discussion of minimum project eligibility criteria follows.

ELIGIBLE PROJECTS

To be eligible for funding under the Hazard Mitigation Grant Program, a project must meet the minimum project criteria under 44 CFR 206.434 (b). These criteria are designed to ensure that the most appropriate projects are selected for funding.

FEMA has frequently been asked to fund projects that are in progress or that have been completed. The Hazard Mitigation Grant Program is not intended to retroactively fund projects. This policy is based, in part, on the grant program requirement that projects be in conformance with environmental regulations. The Federal environmental process requires that the environmental analysis be completed prior to any commitment of funds. Projects that have been initiated may not meet environmental requirements, resulting in an otherwise potentially eligible project becoming ineligible. Another reason for not funding projects retroactively is that funding has presumably already been found for those projects. Grant program funds are limited and should be reserved for projects that arise from the disaster that generates those funds.

The following section describes minimum project eligibility criteria.

Conforms With State Hazard Mitigation Plan

Subpart N
Requirement
44 CFR 206.434 (b) (1)

A project must be in conformance with the hazard mitigation plan developed as a requirement of Section 409.

This requirement ensures that the measure corresponds with the policy set forth in the state hazard mitigation plan and the state's mitigation program.

Many states have an existing state hazard mitigation plan from which potential Hazard Mitigation Grant Program projects may be identified. At the time of a disaster, FEMA may only require that these states review and update their existing plan based on the disaster event. Other states may be required to develop a new or expanded post-disaster hazard mitigation plan. In those instances, some post-disaster mitigation opportunities may be lost if approval of Hazard Mitigation Grant Program projects does not occur until after the plan is submitted. In instances where the state has demonstrated its commitment to mitigation, and potential projects comply with the state's mitigation plan and program, Hazard Mitigation Grant Program projects may be approved for the current disaster for which Hazard Mitigation Grant Program funds are available prior to the completion of the state hazard mitigation plan, update, or revision.

Recommendations
From
Alaska State Hazard
Mitigation Plan
Funded Under
Hazard Mitigation
Grant Program

During the summer of 1989, ice jams along the Yukon and Kuskokwim rivers flooded many Alaskan communities. A state hazard mitigation plan was prepared and the state received Hazard Mitigation Grant Program funds for recommendations in the plan. In 1991, a similar event occurred. The hazard mitigation plan developed for the 1989 disaster was reviewed and many recommendations were reaffirmed. Since Alaska had an existing plan, funding for plan recommendations was received within two months of the declaration.

Provides Beneficial Impact Upon Disaster Area

Subpart N
Requirement
44 CFR 206.434 (b) (2)

A project must have a beneficial impact upon the designated disaster area, whether or not located in the designated area.

A project may be located in the disaster area and address a site specific problem, such as installation of a larger culvert to prevent back-up flooding in the declared area, or a project may be located outside of the disaster area, but have an impact on reducing damages in the disaster area. For example, if clear-cutting of trees in the watershed above the disaster area has contributed to erosion and increased flooding, then land treatment to control erosion and reduce downstream flooding may be an eligible Hazard Mitigation Grant Program measure even though the measure itself is not located in the declared area. Hazard Mitigation Grant Program projects may also be statewide in nature, such as adoption of a statewide code or standard, and impact areas both inside and outside of the declared area.

Conforms With Environmental Regulations

Subpart N
Requirement
44 CFR 206.434 (b) (3)

A project must be in conformance with 44 CFR Part 9, Floodplain Management and Protection of Wetlands, and 44 CFR Part 10, Environmental Considerations.

Projects located in or affecting a floodplain or wetland must comply with Executive Order 11988, Floodplain Management, and Executive Order 11990, Protection of Wetlands (44 CFR Part 9), and the environmental requirements of the National Environmental Policy Act, P.L. 91-190 (44 CFR Part 10). These requirements are intended to protect the quality of the environment.

It is FEMA's responsibility to prepare an environmental document describing the potential environmental impacts of all proposed projects; however, the Federal Hazard Mitigation Officer will rely on the state or applicant to provide much of the information. Some states have included an Environmental

Considerations Questionnaire (Appendix F) as part of their application package. The applicant should be advised that simple "yes" or "no" answers generally do not provide sufficient detail on the potential impacts. The questionnaire should be used as a guide by the applicant in gathering the information needed by FEMA to fully assess the environmental effects of the proposed project.

Federal regulations at 44 CFR 10.8 (c) allow that projects that do not cause a physical change to the environment do not require an environmental analysis. These projects are referred to as "categorical exclusions" and include training activities, public education programs, studies that involve only manpower and funding, and technical assistance activities. All other projects require an environmental analysis to comply with environmental requirements.

Information provided by the applicant should address land use and socioeconomic issues, air and water quality, natural resources, and archeological and historic resources. The document should provide details on the project description and alternatives to the project (including taking no action), and address the potential environmental impacts of the project as well as the alternatives. Environmental guidance on providing the necessary information has been included in Appendix F.

Information provided by the applicant and the state will be analyzed at the FEMA regional office to determine if there will be significant environmental impacts as a result of the proposed project. If not, then an Environmental Assessment will be prepared, with a Finding of No Significant Impact attached, and forwarded to the FEMA Environmental Officer at National Office for approval. Additional information may be required by FEMA to clarify project details and potential impacts. If significant impacts are anticipated, then an Environmental Impact Statement will be prepared. In addition, for all projects that may affect streams, rivers, lakes, oceans, or any wetlands, a U.S. Army Corps of Engineers permit may be required. Information on U.S. Army Corps of Engineers permit requirements is included in Appendix F. In these situations, the applicant should work with the U.S. Army Corps of Engineers in developing the project and considering alternatives to avoid impacts to wetlands and other significant resources.

Executive Orders 11988, Floodplain Management, and 11990, Protection of Wetlands, require compliance with the eight-step

decision-making process for actions that are located in or affect a floodplain or wetland.

Required Federal
Decision-making
Process

Executive Orders
11988 and 11990

**8-STEP DECISION-MAKING PROCESS
EXECUTIVE ORDERS 11988 AND 11990**

1. Determine whether the proposed action is in the 100-year or 500-year floodplain;
2. Notify and involve the public;
3. Identify and evaluate alternatives;
4. Identify the impact resulting from the proposed action;
5. Minimize potential adverse impacts to and restore the natural and beneficial value of floodplains and wetlands;
6. Reevaluate to determine the practicability of the proposed action in light of other alternatives;
7. Provide the public with the finding; and
8. Review the implementation to ensure that the requirements of the Executive Order are met.

This process is used to evaluate the potential impact to a floodplain or wetland. Preparation of the Reconnaissance/Review Report for Floodplain Management (FEMA Form 90-62; Appendix F) and the environmental document will satisfy the requirements for documenting the eight-step process.

Both the National Environmental Policy Act and Executive Orders 11988 and 11990 require notification of the public for actions affecting floodplains or wetlands. This notification should occur when the project is initially developed and at the end of the planning phase, before any action is taken. The National Environmental Policy Act requires that a public notice be published when an Environmental Assessment is proposed and when the assessment is approved (but prior to taking action). The eight-step decision-making process requires, at a minimum, an initial public notice and a final notice.

Solves a Problem Independently or Constitutes a Functional Portion of a Solution

Subpart N
Requirement
44 CFR 206.434 (b) (4)

A project must solve a problem independently or constitute a functional portion of a solution where there is assurance that the project as a whole will be completed. Projects that merely identify or analyze hazards or problems are not eligible.

A project may solve a site-specific problem. An example of this type of project would be a hazardous low water crossing. Installing gates that would close the approaches to the crossing when the water becomes high would prevent access by motorists to a hazardous area.

A project may also be an element of a larger project.

Project That is a
Functional Portion of a
Solution

Levee
Dallas, Texas

In Dallas, Texas, construction is underway on a levee (Rochester levee) to protect a residential area consisting of approximately 307 structures. This is part of a larger U.S. Army Corps of Engineers project that will connect an existing levee with the levee under construction. Estimated costs for the Rochester levee are \$11.8 million. Estimated costs for the U.S. Army Corps of Engineers project are \$20 million. Dallas expects to receive \$432,000 in Hazard Mitigation Grant Program funds to supplement the capitol improvement funds that are being used to finance this project.

A study or plan that simply analyzes a problem or identifies a problem without a funded, scheduled, implementation program will not be eligible.

Demonstrates Cost-Effectiveness

Subpart N
Requirement
44 CFR 206.434 (b) (5)

A project must be cost-effective and substantially reduce the risk of future damage, hardship, loss, or suffering resulting from a major disaster.

Projects funded by the Hazard Mitigation Grant Program must be cost-effective. This requirement is satisfied by performing an analysis to determine whether the benefits to be gained are at least equal, if not greater than, the cost of the project.

This section focuses on identifying the benefits and costs associated with hazard mitigation projects. The regulations requiring cost-effectiveness are first identified. This is followed by a suggested approach to analyzing project cost-effectiveness. Cost-effectiveness is one element of project eligibility criteria and alone does not qualify a project for funding.

The assessment of cost-effectiveness can be very confusing. One of the problems is the casual use of very precise terms. For example, cost-effectiveness and benefit-cost analysis are not the same thing. Cost-effectiveness is a principle, a goal; benefit-cost analysis is a methodology that helps determine whether an action is cost-effective. The result of an economic analysis for a potential hazard mitigation project is a determination of whether a project is "cost-effective." The method used by the Hazard Mitigation Grant Program to make a determination of cost-effectiveness is a "benefit-cost analysis."

The Hazard Mitigation Grant Program has developed its own definition of cost-effectiveness and benefit-cost analysis to avoid inconsistencies in the manner in which they are applied. This is necessary because the meaning of these terms can differ substantially depending on the context in which they are used. In the context of hazard mitigation, cost-effectiveness and benefit-cost have meanings that may differ from textbook definitions.

Interim Procedures. FEMA is in the process of adopting a nationally-applicable, consistent benefit-cost methodology for assessing the cost-effectiveness of hazard mitigation projects. The information provided in this handbook is interim guidance and should be used until such time as final guidance is issued. Some important policy questions about which costs and which benefits are included in an analysis, and how much technical detail is necessary in such an assessment, remain partially unresolved. These questions will be resolved, however, through continuing dialogue and coordination, on a project-by-project basis, between and among applicants or subgrantees and State and Federal Hazard Mitigation Officers.

The Cost-effectiveness Assessment. The method used by the applicant to assess project cost-effectiveness must be technically correct in treating three aspects of benefit-cost analysis:

1. Evaluating the natural hazard;
2. Estimating costs; and
3. Estimating benefits.

The following discussion expands on these aspects of the analysis. The final assessment should be a combination of narrative (i.e., explaining the basis for the costs and estimates and the damages to be reduced or averted) and numerical data to justify the findings.

The first steps of a benefit-cost analysis include the following:

- Evaluating the hazard in terms of the frequency and intensity of expected occurrences;
- Obtaining expected damage estimates as a function of hazard intensity;
- Estimating project cost options; and
- Estimating benefits of project options.

The State Hazard Mitigation Officer and the applicant should develop a data collection strategy to obtain information on proposed hazard mitigation projects. This can be accomplished by relying on technical assistance available from state and Federal agencies. For example, after a flood, information can be obtained from appropriate personnel in state and Federal agencies having expertise in hydrologic engineering. Agencies that may be able to provide technical information include state departments of transportation and water and natural resources, the state National Flood Insurance Program Coordinator, the U.S. Army Corps of Engineers, the U.S. Geological Survey, and the Soil Conservation Service. Depending on the type of hazard, the technical details necessary to evaluate mitigation projects will differ widely. Floods, tornadoes, earthquakes, etc., have their own data sets, and specific agencies with appropriate expertise.

The framework outlined below is, however, applicable to benefit-cost analyses of all hazards under the Hazard Mitigation Grant Program. This guidance will assist applicants in meeting all grant program cost-effectiveness requirements.

Addresses Repetitive Problems or Those of Significant Risk.

Subpart N
Requirement
44 CFR
206.434 (b) (5) (i)

The grantee must document that the project addresses a problem that has been repetitive, or a problem that poses a significant risk to public health and safety if left unresolved.

Hazard Evaluation. Two aspects of a hazard are evaluated -- frequency and intensity. The evaluation of a hazard threatening a given area is made on the basis of mathematical probability. The analysis must include the expected frequency of occurrence of the damage-producing hazard (e.g., a 50-year flood or a 6.0 earthquake on the Richter scale), and the corresponding intensity or severity of the occurrence (e.g., a water depth of 3 feet for a 50-year flood or a VII on the Modified Mercalli Intensity scale for earthquakes). The objective is to calculate an estimate of expected annual damages caused by the hazard under consideration (see below).

An approach that considers only the recurrence of one level of event (including consideration of the maximum credible event) will systematically underestimate the total hazard and thus produce inaccurate results. This is because much of the expected damages may result from the more frequent, moderate events, rather than from the much less frequent extreme events. For example, if only the impact of a 100-year flood is considered, the analysis will overlook the impact of the 10- or 50-year events that occur more frequently.

Estimates of frequency and intensity of hazards can be based on historical records or on hazard data such as a National Flood Insurance Program community Flood Insurance Study or the U.S. Geological Survey's seismic data in Open-File Report 82-1033. The generalized frequency of other natural hazards and sources of data are found in FEMA publication Risks and Hazards: A State by State Guide, (FEMA-196, September 1990). Specific information on the frequency and intensity of hazards can be obtained from state and Federal agencies with specific hazard expertise. The evaluation of future events must

include the full range of damaging events, not simply the worst expected future event.

Expected Annual Damage Estimates. As noted above, both frequency and intensity need to be assessed. For purposes of the Hazard Mitigation Grant Program, one cannot be considered without the other. Evaluating the probability of damages based on intensity is as critical as knowing a hazard's frequency of occurrence. This is because the grant program is trying to prevent or lessen, i.e., mitigate, expected annual damages. There must be a decision early in the evaluation as to the types of damages that are included in the evaluation.

Damage and losses fall in three categories:

1. Direct damages (property);
2. Indirect damages (loss of function); and
3. Deaths and injuries.

Each of these categories of damage have specific meanings, but together they result in "expected annual damages."

Direct damage occurs to property. Property damage can be structural (buildings, homes, levees, roads) as well as non-structural (automobiles, furniture, clothing, equipment). Together, these are called direct damages. Building damage estimates resulting from floods are found in depth-damage curves. The state National Flood Insurance Program Coordinator should be contacted to obtain current estimates of flood damages for floods of varying depths. Other sources of information on flood data are contained in the U.S. Army Corps of Engineers National Flood Proofing Committee document Flood Proofing Techniques, Programs, and References (1991). For earthquakes, consensus damage estimates are available for a wide range of facility classifications. (See Applied Technology Council, ATC-13, Earthquake Damage Evaluation Data for California, 1985.) Comparable damage estimates for other hazards (tornadoes, fire, wind, etc.) are available through state and Federal government agencies.

Indirect damages are the consequence of direct damages when partial or full loss of function occurs over a period of time. Any partial or full loss of function produces incurred costs. For example, lost wages, lost sales, and business income,

relocation expenses, and rent for temporary space are indirect damages.

Finally, the statistical value of life and injury may be an adjunct consideration. A decision must be made early in the evaluation if life and injury data will be used in the analysis. The factors affecting the decision to use such data will vary, depending, for example, on the risk to life at the location of the project. The Federal Hazard Mitigation Officer should be contacted for guidance on this matter.

Using Information and Data to Perform a Benefit-Cost Analysis.

The actual benefit-cost analysis begins with the collection of information and data on the frequency and intensity of the hazard (hazard evaluation), and the estimates of expected damages (expected annual damages). An approach to benefit-cost analysis follows in this section. The discussion is generalized because the determination of values for most of the factors will differ from one type of project to another.

Additional information may be needed on some projects. Experience has shown that providing supplemental information on a project, in addition to costs and benefits, can make the task easier. The following examples illustrate this point. For a construction project, the costs and benefits are more easily calculated on a square foot basis. The probable life of the structure must be determined. The exact location of a structure in relation to the 10-, 50-, and 100-year floods (including first-floor elevation) is important in determining expected damages. Likewise, the statistical probability of tornado damage in a state and county is significant, if future damages are to be calculated. Finally, the replacement value of a structure is needed to ensure that the cost of the mitigation measure does not exceed the value of the structure.

Project Costs. The cost of a hazard mitigation project must be determined. Project costs include such things as labor and materials, equipment, engineering and architect fees, real estate fees, permit fees, etc. FEMA and state Public Assistance Officers jointly establish various categories of cost after each disaster declaration. The categories of costs are often referred to as "cost codes." Cost codes are used for initial cost estimates of hazard mitigation projects for which cost codes are applicable (i.e., construction type projects). The applicant

usually provides a revised cost estimate, sometimes with the assistance of a consultant or contractor, when preliminary project approval has been received. Whether the first or second cost estimate is used for the benefit-cost analysis depends largely on the type of project and the judgement of the state and/or Federal Hazard Mitigation Officer. Final cost estimates are determined only after bids are obtained and modifications are made as necessary.

Provides Demonstrated Economic Benefit.

Subpart N
Requirement
44 CFR
206.434 (b) (5) (ii)

The grantee must document that the project will not cost more than the anticipated value of reduction in both direct damages and subsequent negative impacts to the area if future disasters were to occur. Both costs and benefits will be computed on a net present value basis.

Expected Annual Benefits. The benefits that accrue from a hazard mitigation measure are the avoided damages. The damages avoided are defined as the difference between expected future damages with and without undertaking the mitigation measure. The data generated in determining "expected annual damages" is used to calculate the benefits that will accrue if the project is implemented. Expected benefits should be considered over a specified evaluation period (the life of the project) and discounted to their net present value, using the Federally-mandated discount rate which varies yearly. The Office of Management and Budget annually revises the discount rate applicable to Federal projects. The rate has fluctuated over the past several years. At the time of this publication the discount rate was 10 percent. The current rate can be obtained from the state or Federal Hazard Mitigation Officer.

Example of
Calculating
Project Benefits

Benefits are the difference between expected future damages if a mitigation measure is not undertaken and the expected damages if a mitigation measure is undertaken. For example:

- A future flood at the 100-year flood level is expected to cause \$3 million in damages to city hall,

(Continued)

Example of
Calculating
Project Benefits
(Continued)

- A mitigation project is expected to reduce these 100-year flood damages to \$1 million,
- The expected benefits for the project are the difference, or \$2 million (discounted to present value).

Discounting to Present Value. Benefits and costs expected in the future must be discounted to their present value. Future benefits and costs span a time period which is normally the useful life of the project. For example, ten years might be the useful life of certain equipment, 30 years or more might be the useful life of a single-family home.

The following example demonstrates the present value of a \$1,000 benefit at various times in the future, assuming a discount rate of 10 percent.

**DISCOUNTING \$1,000 TO PRESENT VALUE WITH
A DISCOUNT RATE OF 10%**

<u>Time period (Years)</u>	<u>Present value</u>
0	\$1,000.00
1	909.09
5	620.92
10	385.54
20	148.64
30	57.31
50	8.52
100	0.07

Discounting \$1,000 to
Present Value
With a Discount
Rate of 10%

Estimating Costs and Benefits of Hazard Mitigation Projects. Benefit-cost analyses are numerical. Both costs and benefits must be calculated for all projects. The benefit-cost ratio is calculated by dividing the total cost into the expected total benefits, discounted to the net present value. It is recognized, however, that certain types of project benefits may be difficult to calculate. Nonetheless, benefits should be described and supported with relevant documentation. In the following example, the benefits are greater than the costs. Therefore, the project is "cost-effective."

The city proposes to install sewage back-flow valves for 35 homes for a total cost of \$45,575. If the valve installation will save \$20,000 in annual damages from street flooding, and the life expectancy of the valves is 10 years, the benefits and cost can be calculated as described here.

If the installation cost of the valves is counted in the first year of the project, and the maintenance worker costs are figured at \$2,000 for each of the next nine years, then the stream of expenditures appears in column (2). The expected yearly benefits are shown in column (3). The discount factor for a 10% discount rate is presented in column (4). The present value cost for each of the ten years is calculated by multiplying column (2) by column (4). The present value benefit for each of the ten years is calculated by multiplying column (3) by column (4). Present value benefits and costs are shown in columns (5) and (6).

Benefit-Cost Calculation Using the "Present Value" Criterion	<u>Year</u>	<u>Yearly Cost</u>	<u>Yearly Benefit</u>	<u>Discount Factor</u>	<u>Present Value Cost</u>	<u>Present Value Benefit</u>
	(1)	(2)	(3)	(4)	(5)	(6)
	1	\$45,575	\$20,000	0.909	\$41,427	\$ 18,120
2	2,000	20,000	0.826	1,652	16,520	
3	2,000	20,000	0.751	1,502	15,020	
4	2,000	20,000	0.683	1,366	13,660	
5	2,000	20,000	0.621	1,242	12,420	
6	2,000	20,000	0.564	1,126	11,280	
7	2,000	20,000	0.513	1,026	10,260	
8	2,000	20,000	0.464	934	9,340	
9	2,000	20,000	0.424	848	8,480	
10	2,000	20,000	0.386	772	7,720	
				<u>\$51,897</u>	<u>\$122,880</u>	

- Present value cost is column (2) multiplied by column (4).
- Present value benefit is column (3) multiplied by column (4).

The sum of column (5) is present value cost: \$ 51,897
 The sum of column (6) is present value benefits: \$122,880

Narrative Statement for the Cost-Effectiveness Assessment. As noted previously, the cost-effective assessment must include both the numerical evaluation of benefits and costs and an accompanying narrative statement. The narrative may be brief, but it should accomplish two purposes. First, it should clearly explain the expected benefits of the project so that the state and FEMA can easily understand the benefit-cost analysis. Secondly, the narrative must document and reference all sources of data used in the assessment. For example, the

source of information and data on hazard frequency, intensity, and cost assumptions must be identified in the project application. This will assist FEMA and the state to verify the information, if necessary.

Consideration of Range of Alternatives.

Subpart N
Requirement
44 CFR
206.434 (b) (5) (iii)

The grantee must document that the project has been determined to be the most practical, effective, and environmentally sound alternative after considering a range of options.

The applicant should examine and evaluate other alternatives before a specific approach is selected. It is important to demonstrate that other alternatives were considered, including the "no action" alternative, with an explanation as to why these alternatives were determined not to be the best option or the most cost-effective solution.

This ensures that the project has undergone careful consideration through evaluation of a range of alternatives and that the project selected is the most cost-effective. Project proposals are not required to provide a detailed analysis of all the alternatives considered, but the proposal should give an indication that other options were considered, and the reasons why they were not selected.

Narrative of
Options
Considered

Sample Project
From
North Dakota's
Administrative Plan

North Dakota proposes to construct a permanent levee along the Red River to prevent flood waters from entering the Oak Point community. The total estimated cost of the project is \$30,000. Two protective alternatives existed. Total relocation of the homes, businesses, and public facilities are estimated to exceed \$2.5 million. Performance of temporary measures at the time of a forecasted flood could continue. In the three years (1975, 1979, and 1989) that such temporary measures were taken, total costs of those measures exceeded \$36,000.

Contributes to a Long-term Solution.

Subpart N
Requirement
44 CFR
206.434 (b) (5) (iv)

The grantee must document that the project contributes to the extent practicable, to a long-term solution to the problem it is intended to address.

Mitigation measures funded under the Hazard Mitigation Grant Program are required to provide a long-term or permanent solution to the problem that is being addressed. The purpose of this requirement is to ensure that the mitigation measure truly does protect against repetitive losses that could be expected to reoccur. An emergency protective berm on a beach to prevent wave damage to structures, for example, addresses a short- rather than long-term solution. It is constructed with the knowledge that its usefulness is for immediate protection and will perhaps span only a limited number of months or years. Hazard Mitigation Grant Program measures, on the other hand, should be measures that will be in place for the life of the property being protected.

For serious recurring problems, it may be necessary to develop a very long-term and comprehensive project to solve the identified problem. The following description of a relocation project in the town of English, Indiana is an example of such a project.

Project
Contributing to a
Long-term Solution
of a Recurring
Problem

Relocation of
English, Indiana

The town of English, Indiana has been subjected to repetitive flooding resulting in substantial damage for many years, during which no structural solutions have been found or constructed. It has been determined that the only practical long-range solution to the town's flooding problem is to relocate the residences, businesses, and public buildings to a flood-safe location. Approximately 100 conventional and manufactured homes, 30 businesses, and 6 to 8 public buildings would be involved in this relocation. The relocation will occur in four phases and total cost is estimated at \$6,135,000. The Hazard Mitigation Grant Program will be one of several funding sources.

Considers Long-term Changes and Remains Manageable in Terms of Maintenance and Modifications.

Subpart N
Requirement
44 CFR
206.434 (b) (5) (v)

The grantee must document that the project considers long-term changes to the areas and entities it protects, and has manageable future maintenance and modification requirements.

The grantee should take into consideration projected population growth and any development changes that may be anticipated and incorporate these types of factors into the project proposal. Historical growth records and local comprehensive plans are sources of this information.

At the same time, future maintenance requirements should also be considered. If the project proposal recommends development of a warning system, the proposal should also state how often the system is to be tested (eligibility of warning systems is discussed on the following pages).

TYPES OF PROJECTS

Projects may be of any nature that will result in the protection of lives and/or public and private property, so long as the basic program requirements are met. The types of projects eligible under the Hazard Mitigation Grant Program are discussed below. The examples are either approved projects or proposed projects for which approval and funding are anticipated.

Structural Hazard Control or Protection Projects

Subpart N
44 CFR 206.434 (c) (1)

Eligible projects include structural hazard control or protection projects.

Structural Hazard
Protection Project

State of Alaska

The city of Allakaket, Alaska, a community of 195 residents, was flooded in June 1989 from ice jamming on the Koyakuk River. The entire area is low lying without higher ground for residents to move to during floods. In February 1991, a flood ordinance was adopted by the city council to ensure that new construction is built above the high water marks of record to minimize public and private losses.

Five residential homes that had the greatest potential for future flood damage were selected for floodproofing with Hazard Mitigation Grant Program funds. The total cost of the project was \$50,000 (\$25,000 Federal share) and involved elevating each house on gravel pads to a height above the established flood level. The project was determined to be the best and most cost-effective mitigation measure for the city among a range of alternatives, and was found to have no significant impact upon the environment.

Structural Hazard
Protection Project

State of Kentucky

In the city of Paintsville, Kentucky, flooding occurred when water backed up from Paint Creek through a portion of the city's storm sewer system. The affected area included residential and commercial properties where there has been a history of flood damages. The city received \$19,826 (\$9,913 Federal share) under the Hazard Mitigation Grant Program to install a flap gate to prevent this back up. Project funds were used to remove earth from around the existing storm sewer outlet into Paint Creek, purchase and install the flap gate, and restore the area to its previous contour and elevation. The project was determined to be cost-effective and posed no significant threat to environmental resources. It was in conformance with the Section 409 hazard mitigation plan for FEMA-821-DR-KY and Hazard Mitigation Grant Program regulations.

**Construction Activities that Result in Hazard
Protection**

Subpart N
44 CFR 206.434 (c) (2)

Eligible projects include construction activities that will result in protection from hazards.

Construction
Activities
Resulting in
Flood
Protection

State of
Mississippi

The Opossum Bayou in Lambert, Mississippi backs up into a low-income residential area, flooding municipal and private property three to four times a year, and threatening public health and safety. In response to a flooding disaster in March 1991, the Hazard Mitigation Team recommended the following solutions:

1. Raise a private drive off a county road south of Lambert to form a 1,000 foot levee.
2. A 32" culvert will be replaced with a 42" corrugated metal pipe culvert.
3. The new 42" culvert and an existing 48" culvert will be fitted with sluice gates.

It is anticipated that the state of Mississippi will submit an application to FEMA for Hazard Mitigation Grant Program funding of the road elevation and culvert replacement.

Retrofitting of Facilities

Subpart N
44 CFR 206.434 (c) (3)

Eligible projects include retrofitting of facilities.

RETROFIT OF PRIVATELY-OWNED WOODEN FRAME BUILDINGS San Francisco Conservation Corps

Retrofitting
Project

San Francisco,
California

In conjunction with a consulting engineer and licensed general contractor, the San Francisco Conservation Corps' crews will install needed bolting, blocking, stiffening, strapping, and hardware in 75 of the most seriously deficient wooden framed structures in the city of San Francisco, within a 24 month period. It is estimated that every dollar spent as a result of this project will save \$10 dollars in repairs.

Acquisition or Relocation

Subpart N
44 CFR 206.434 (c) (4)

Eligible projects include acquisition or relocation.

Potential
Acquisition/Relocation
Project

Frankfort, Kentucky

The city of Frankfort, Kentucky is pursuing a high-velocity floodway acquisition and relocation project in an area that will remain unprotected by a current U.S. Army Corps of Engineers project to construct a floodwall. The city plans to utilize CDBG and Section 404 funds to acquire properties. Replacement homes will be built in a safe but undeveloped area. The community will make this new development accessible and affordable by funding the required infrastructure such as streets and sewers. The program also proposes a homeowner flood-proofing element to be funded through a revolving, forgivable loan process utilizing Hazard Mitigation Grant Program funds.

Development of State or Local Mitigation Standards

Subpart N
44 CFR 206.434 (c) (5)

Eligible projects include development of state or local mitigation standards.

Development of State
and Local Mitigation
Standards

State of South Carolina

In South Carolina, a project has been approved to enhance the ability of low rise structures to resist wind damage. The project involves the construction of a wind load test facility at Clemson University for testing low rise structures and building components. The project will analyze the effects of wind on roofs and wall cladding on single as well as groups of structures.

The project will result in proposed modifications to building codes in South Carolina and improved standards for construction. In addition, publications will be prepared to provide guides to selection of roofing and wall cladding to resist wind and earthquake damage.

**Development of Comprehensive Mitigation Programs
With Implementation as an Essential Component**

Subpart N
44 CFR 206.434 (c) (6)

Eligible projects include development of comprehensive hazard mitigation programs with implementation as an essential component.

Development of a
Comprehensive Program
With Implementation as
Essential Component

State of
South Carolina

**PROGRAM WITH IMPLEMENTATION AS
AN ESSENTIAL COMPONENT
South Carolina Coastal Council**

Hazard mitigation will be a result of development and implementation of State and Local Beach Management Plans to implement the 40-year setback requirements for new and rebuilt construction on the beachfront. This project will produce technical information necessary for the retreat policy implementation to be used by the South Carolina Coastal Council in the State Beach Management Plan and by local governments and counties in the Local Beach Management Plans. Primary emphasis will be in setback and baseline determination.

Development or Improvement of Warning Systems

Subpart N
44 CFR 206.434 (c) (7)

Eligible projects include development or improvement of warning systems.

A flood warning system is an eligible project under the Hazard Mitigation Grant Program if it meets the objectives of hazard mitigation. Within the context of the grant program, hazard mitigation is defined as an action intended to reduce repetitive losses from future natural disasters. Repetitive loss refers to life, injury, and property damage where the loss results not only in personal suffering but also in local, state, and Federal government expenditures for disaster preparedness, response, and recovery operations.

Many emergency managers believe a flood warning system is a mitigation measure. It is, but only in a limited sense. Under the Hazard Mitigation Grant Program, a flood warning system is eligible only if it reduces the risk of repetitive loss and hardship so that the cost of response and recovery will be less in the future. Funds are approved for projects that have the greatest potential for reducing future disaster expenditures in the affected area. A measure that solely prepares individuals or communities to respond to a threat will not be eligible.

Where the preparedness phase of emergency management identifies a need for operations equipment, the Hazard Mitigation Grant Program emphasizes the application of funds

for projects that would lessen the need for operations equipment. Instead of funding a warning system to alert residents that flooding is imminent, the grant program seeks, for example, to fund projects that would relocate or elevate buildings within a flood hazard area, provide structural protection from flooding, or adopt and enforce better codes to ensure future protection.

Applicants should carefully examine whether a proposed warning system meets these objectives. Oftentimes, there are alternative measures that may be more effective in addressing the problem. These are usually long-term, comprehensive measures, and may include property acquisition and relocation, development and redevelopment policies and priorities in the endangered area, or structural measures such as flood walls.

In determining the eligibility of warning systems, the applicant should also examine other FEMA programs that provide funding for emergency operations equipment such as emergency operations centers, warning and communications systems, maintenance and services, and the Emergency Broadcast System. Project applications that include emergency operations equipment must be submitted to the regional Emergency Management and National Preparedness Division and/or the Natural and Technological Hazards Division for review to ensure that Hazard Mitigation Grant Program funds are not being used in place of other program funds. The Hazard Mitigation Grant Program prohibits the use of grant funds for projects that may be eligible under other programs.

There are several important factors to be considered in developing a warning system. These include:

- Need for the system;
- Benefits to be derived from the systems through reduction to life and property;
- Ability of the community to utilize and maintain the system; and
- Development and exercising of mitigation and evacuation plans.

The goals of a flood warning program should also be in accordance with other FEMA programs, including the Federal

Insurance Administration's Community Rating System (Appendix J). Under the Community Rating System, a flood warning program must have the following components:

1. A flood threat recognition system to perceive impending flooding;
2. A warning dissemination system;
3. Regular maintenance and testing of equipment and practice drills; and
4. A public information program to advise people about the warning system and what to do when a flood occurs.

Projects funded under the Hazard Mitigation Grant Program should address these components and describe how each activity will be incorporated into the overall warning program.

For more detailed policy guidance on eligibility, see Appendix D, "Guidance on the Eligibility of Equipment Purchases for Emergency Management Operations Under the Hazard Mitigation Grant Program."

CHAPTER 6

**PROJECT IDENTIFICATION AND
SELECTION CRITERIA**

Chapter 6:**PROJECT IDENTIFICATION AND SELECTION CRITERIA**

PROJECT IDENTIFICATION

The state is responsible for identifying and selecting potential Hazard Mitigation Grant Program projects. This should be accomplished by the State Hazard Mitigation Team. If a state does not have a formalized State Hazard Mitigation Team, one should be formed to assist the State Hazard Mitigation Officer with grant program activities, as well as other post-disaster activities. The process to be used in identifying projects should be included in the state's Administrative Plan.

Chapter 4 discusses establishing State Hazard Mitigation Teams, team responsibilities, and procedures for prioritizing mitigation projects.

Conforms with Identification Procedures in the Administrative Plan

Subpart N
Requirement
44 CFR 206.435 (a)

Procedures for the identification . . . of mitigation projects shall be included in the state's administrative plan.

There are several methods available to accomplish this. Potential projects may be identified during the post-disaster hazard mitigation team process. The impacted areas surveyed by the team and the recommendations developed in the subsequent team report can assist the State Hazard Mitigation Officer in identifying potential applicants and projects.

A review of Damage Survey Reports may help identify potential mitigation measures. The inspection reports may identify site-specific issues as well as widespread problems. The State Hazard Mitigation Officer should discuss types of damage, eligible measures under the Public Assistance and Hazard

Mitigation Grant Programs, and potential applicants and projects with State and Federal Public Assistance Officers.

The State Hazard Mitigation Officer should also review the state hazard mitigation plan, other appropriate plans such as land use and comprehensive plans, Hazard Mitigation Assistance projects, and post-disaster team reports from previous disasters to identify potential applicants and projects eligible for 404 funding.

Consistent with 409 Hazard Mitigation Plan

Subpart N
Requirement
44 CFR 206.435 (a)

All funded projects must be consistent with the state's Section 409 hazard mitigation plan.

Hazard mitigation projects may be identified through the process of developing the state hazard mitigation plan required under Section 409 of the Stafford Act.

REDUCE RISKS FROM UNREINFORCED MASONRY BUILDINGS

California
State Hazard
Mitigation Plan
Recommendation
Approved for
404 Funding

The city of San Francisco has identified 114 unreinforced masonry buildings, consisting of low-income housing stock, to be rehabilitated by seismic upgrading. A minimum of \$1 million dollars will be used for seismic, health, and safety rehabilitation work.

Budget: \$1,000,000

Implementing Agency: City and County of San Francisco
Redevelopment Agency

Hazard Mitigation Grant Program projects may also result from less specific mitigation plan recommendations.

Sample Project
Conforming With
State Hazard
Mitigation Plan
Recommendation

A state hazard mitigation plan may include a recommendation to monitor coastal development and encourage safe construction, set backs, and less dense population areas. To support implementation of this recommendation, a Hazard Mitigation Grant Program project may propose the development and adoption of more stringent local regulations, corresponding with the intent of the recommendation in the hazard mitigation plan.

**Identification by Interagency Hazard Mitigation Team
or Hazard Mitigation Survey Team**

Site visits conducted by post-disaster teams and the recommendations formulated in the 15-day report may help identify potential projects. Interagency Hazard Mitigation Teams or Hazard Mitigation Survey Teams are able to identify immediate mitigation opportunities as well as long-range issues to be addressed in the state hazard mitigation plan. Team activities also enable early identification of measures that may be funded under the Hazard Mitigation Grant Program.

Pre-Identification of Projects

Using the Disaster Preparedness Improvement Grant Program or the Hazard Mitigation Assistance Program, hazard mitigation plans can be updated or expanded as a pre-disaster activity. In addition, these funds may be utilized to identify and prioritize specific recommendations for Hazard Mitigation Grant Program funding once a disaster has occurred.

Potential projects may also be pre-identified by reviewing and coordinating the prioritization of recommendations in existing hazard mitigation plans.

Pre-identification of
Potential
Hazard Mitigation
Grant Program
Projects

In Colorado, members of the Colorado Natural Hazards Mitigation Council are tasked with reviewing the current Flood, Landslide, and Wildfire Mitigation Plans to identify projects for possible Hazard Mitigation Grant Program funding. This effort requires close coordina-

(Continued)

Pre-identification of
Potential
Hazard Mitigation
Grant Program
Projects
(Continued)

tion between the agencies responsible for development of these plans and those agencies identified as having a lead role in providing technical or financial assistance. This cross examination will help establish an implementation strategy as well as facilitate a more rapid use of Hazard Mitigation Grant Program funds if and when they become available in Colorado.

SELECTION CRITERIA

In addition to project identification procedures, the state's Administrative Plan will include methods for selecting potential projects.

Projects that are underway at the time of the disaster, or that have been completed, should not be considered or selected for funding. The Hazard Mitigation Grant Program is not designed to fund projects retroactively. One reason for this is that projects that have already been initiated or completed may not meet environmental requirements and consequently may be determined ineligible. Another reason for not funding projects retroactively is that funding has presumably already been found for those projects. The limited Hazard Mitigation Grant Program dollars should be reserved for projects that arise from the disaster that generates those funds.

Meets Minimum Project Eligibility Criteria

The selection criteria must comply with the minimum project eligibility criteria under 44 CFR 206.434 (b). A discussion of project eligibility criteria is included in Chapter 5.

Meets Minimum Project Selection Criteria

In addition, projects must meet the minimum project selection criteria under 44 CFR 206.435 (b). A discussion of this criteria follows.

Measures That Best Fit Within the Overall Development and/or the Hazard Mitigation Plan.

Subpart N
Requirement
44 CFR 206.435 (b) (1)

1. Selection criteria should include measures that best fit within an overall plan for development and/or hazard mitigation in the community, disaster area, or state.

State hazard mitigation plans, comprehensive plans, and land use plans should be examined to ensure that the project conforms with the policy set forth by the state or local government.

Selection Criteria

State of Florida

When processing hazard mitigation grant program proposals, the Florida Division of Emergency Management utilizes general review criteria, including:

The project's overall degree of consistency with the objectives of the State Comprehensive Plan, the State Land Use Development Plan, the Department of Community Affairs Agency Functional Plan, the applicable Comprehensive Regional Policy Plan, and the Comprehensive Plan of the affected local government.

Detrimental Impacts Likely if Measures Are Not Implemented.

Subpart N
Requirement
44 CFR 206.435 (2)

2. Selection criteria should include measures that, if not taken, will have a severe detrimental impact on the applicant, such as potential loss of life, loss of essential services, damage to critical facilities, or economic hardship on the community.

The project's cost-effectiveness analysis should be reviewed to determine the impact and the amount of damages that will result if the measure is not implemented. The project should also be examined for its potential to reduce the threat to loss of life and property, as well as its potential to solve other social and economic problems through multi-objective planning.

Mitigation Measures
with
Additional Benefits:
Economic Preservation

Manitou Springs, Colorado is a mountain community whose economic base is dependent on tourism. It is also vulnerable to flooding. Both the flash flood season and the peak tourist period occur during the same months. Implementation of mitigation measures to address the town's vulnerability, such as a warning system or posting historic high water marks, will help reduce loss of life and property, as well as educate the residents and reassure tourists that in case of a flood, the community is prepared.

Measures With the Greatest Potential to Reduce Future Losses.

Subpart N
Requirement
44 CFR 206.435 (b) (3)

3. Selection criteria should include measures that have the greatest potential impact on reducing future disaster losses.

After examining the alternatives available, the applicant should be able to demonstrate that this project has been determined to be the most cost-effective, and according to 44 CFR 206.434 (b) (5) will:

Subpart N
Requirement
44 CFR 206.434 (b) (5)

. . . substantially reduce the risk of future damage, hardship, loss, or suffering resulting from a major disaster.

Mitigation Measure
Substantially
Reducing Future
Damages

The Executive Summary and Technical Data Report of the Tri-State Hurricane Planning Study, Phase II (U.S. Army Corps of Engineers, June 1990) discusses various mitigation measures that can be used to reduce or eliminate property damages. One such method is increasing the National Flood Insurance Program minimum elevation standards during reconstruction. Using Gulfport, Mississippi as a test area, the report compares damages of existing structure elevations and structures with minimum elevation of 17 feet, demonstrating the reduction in future property damages by changing the structure elevation.

Measures are Designed to Accomplish Multi-Objectives.

Subpart N
Requirement
44 CFR 206.435 (c)

4. Selection criteria should consider measures that are designed to accomplish multi-objectives, including damage reduction, environmental enhancement, and economic recovery, when appropriate.

Measures that serve to achieve more than one objective should be considered when prioritizing projects for funding.

Sample
Multi-objective
Mitigation
Measure

For example, a community could purchase and install monitoring equipment that serves two purposes. A river stage/water volume monitoring gauge can be used as a flash flood warning system and to monitor water quality in conformance with National Pollutant Discharge Elimination System regulations.

Conforms with Selection Procedures in Administrative Plan

Under 44 CFR 206.437 (b) (4) (v), the Administrative Plan is required to:

Subpart N
Requirement
44 CFR
206.437 (b) (4) (v)

Establish priorities for selection of mitigation projects.

Project Selection Procedures. States should use a group approach in reviewing and selecting potential projects for funding under the Hazard Mitigation Grant Program. At a minimum, the State Hazard Mitigation Officer should utilize the State Hazard Mitigation Team to assist with these activities. Expertise from Federal agencies and other public or private organizations should be considered as necessary. The primary purpose of this group is to review, evaluate, and prioritize all eligible applications, especially in cases where there are a number of projects competing for a limited amount of funds.

Composition of
Washington
Hazard Mitigation
Grant Program
Review Board

In Washington, the Hazard Mitigation Grant Program Review Board is made up of the Governor's Authorized Representative or designee and the State Hazard Mitigation Officer, both from the Department of Community Development, Division of Emergency Management; the Supervisor or designee from the Floodplain Management Section, State Department of Ecology, when the grants are related to a flood disaster, or a representative from an appropriate state agency when the grants are related to some other type of disaster; and two members from local city or county government outside of the declared areas, one of whom is a licensed engineer. Other expertise from state, local, and federal agencies may be consulted by the board as needed.

The recommendations of the State Hazard Mitigation Team should be based upon the project selection criteria under 44 CFR 206.435 (b) and the criteria established in the state's Administrative Plan. Following review by the team, the State Hazard Mitigation Officer will recommend to the Governor's Authorized Representative which projects should be selected for funding. The Governor's Authorized Representative will review project selection, determine the level of funding for each project, and forward the project application to FEMA for approval.

Project Prioritization Procedures. Projects are reviewed and prioritized by the State Hazard Mitigation Team. Most administrative plans use the FEMA criteria under 44 CFR 206.435 (b) as the basis for prioritizing projects. States are encouraged to tailor this prioritization criteria to meet their own mitigation needs. One function of the Section 409 plan is to help in establishing mitigation priorities for the state.

The state of Florida includes FEMA criteria as well as other criteria for evaluation of projects.

Florida Prioritization Criteria

Prioritization
Criteria

State of Florida

1. The degree of need for the project established in the 409 Hazard Mitigation Plan;
2. The project's potential for reducing the threat to loss of life and property;

(Continued)

Prioritization
Criteria
State of Florida
(Continued)

3. The extent to which the project site or structure has been historically damaged in the past from similar disaster phenomenon;
4. The potential for the project to solve other social and economic problems other than emergency, preparedness, and hazard mitigation issues;
5. The project's overall degree of consistency with the objectives of the State Comprehensive Plan, the State Land Use Development Plan, the Department of Community Affairs Agency Functional Plan, the applicable Comprehensive Regional Policy Plan, and the Comprehensive Plan of the affected local government;
6. The cost of the project;
7. The work schedule and length of time required to complete the project; and
8. The degree in which the project duplicates or does not duplicate the efforts of other analysis, work, or studies.

In cases of large and widespread disasters, it may be necessary to identify specific issues that will receive priority in project applications. This approach was used in California as a result of the Loma Prieta earthquake.

Pre-identification of
Prioritization
Criteria
State of California

California, in conjunction with the California at Risk Initiatives 1.0-6.6 and the Hazard Mitigation Survey Team Report Work Elements 1-57, has identified eight (8) priority areas for funding:

- Retrofit of unreinforced masonry buildings;
- Retrofit of non-ductile concrete structures;
- Retrofit of privately-owned buildings;
- Retrofit of essential public facilities;
- Management of hazardous materials spills;
- "Hardening" of communications systems;

(Continued)

Pre-identification of
Prioritization
Criteria

State of California
(Continued)

-
- Improved emergency public information; and
 - Alternate or mobile emergency operating centers.

Although projects involving any legitimate mitigation solution are eligible for funding, priority will be given to the eight categories listed above. In addition, one "model project" demonstrating replicability will be considered for funding in each of the eight priority areas.

Outstanding projects not conforming to any of the eight priorities may also be funded as "special projects." These projects may relate to prior disasters, ongoing programs, or future mitigation plans.

This allows California to emphasize issues of local and state concern by identifying priorities, while not excluding other potential projects.

Funding Identification. Other states take into consideration the amount of matching funds the applicant is able to provide and the applicant's commitment to mitigation. Applicants need to pre-plan how they intend to meet their financial obligations under this program.

Subgrantees may satisfy the cost-sharing requirement of the Hazard Mitigation Grant Program by either, or both, of the following:

1. Cash payment of allowable costs incurred by the grantee, subgrantee, or a cost-type contractor under the assistance agreement. This includes allowable costs borne by non-Federal grants or by other cash donations from non-Federal third parties.
2. The value of in-kind contributions applicable to allowable costs, and the period to which the cost-sharing requirements apply.

Regulations explaining the cost-share requirements can be found at 44 CFR 13 Subpart C Section 24.

Funding sources that may be used as part of an applicant's required cost share include:

- Contingency or "rainy day" funds;
- Community Development Block Grant funds; entitlement and special applications, including imminent threat;
- Year-end reversions (funds left over at the end of a state's fiscal year, e.g., unfilled positions or unused program funds);
- Funds with potential for multi-objective use, e.g., lottery, open space, beach access, stormwater, water quality, public works, etc.;
- Corporate donors;
- Foundations; and
- Bonds/taxes.

Pre-identification
of Matching
Funds

In Colorado, the Urban Drainage and Flood Control District has a \$500,000 emergency contingency fund. This money has been identified as a potential source of funds to assist local governments within the district meet their share of the required Hazard Mitigation Grant Program match.

In South Carolina, the Town of Hilton Head Island has identified open space funds generated through a local land transfer fee as their source of matching Hazard Mitigation Grant Program funds. These funds can be used in cases where multi-objective goals of each program are met, e.g., acquisition of destroyed oceanfront property that may be adjacent to an existing park or that provides greater public access to the beach.

CHAPTER 7

APPLICATION PROCEDURES

INTRODUCTION

This chapter discusses the procedures to be followed both by the Governor's Authorized Representative, on behalf of the state, in submitting an application to FEMA for Hazard Mitigation Grant Program funding, and applicants in submitting a project application to the state.

Figure 3, on the following page, illustrates the application process.

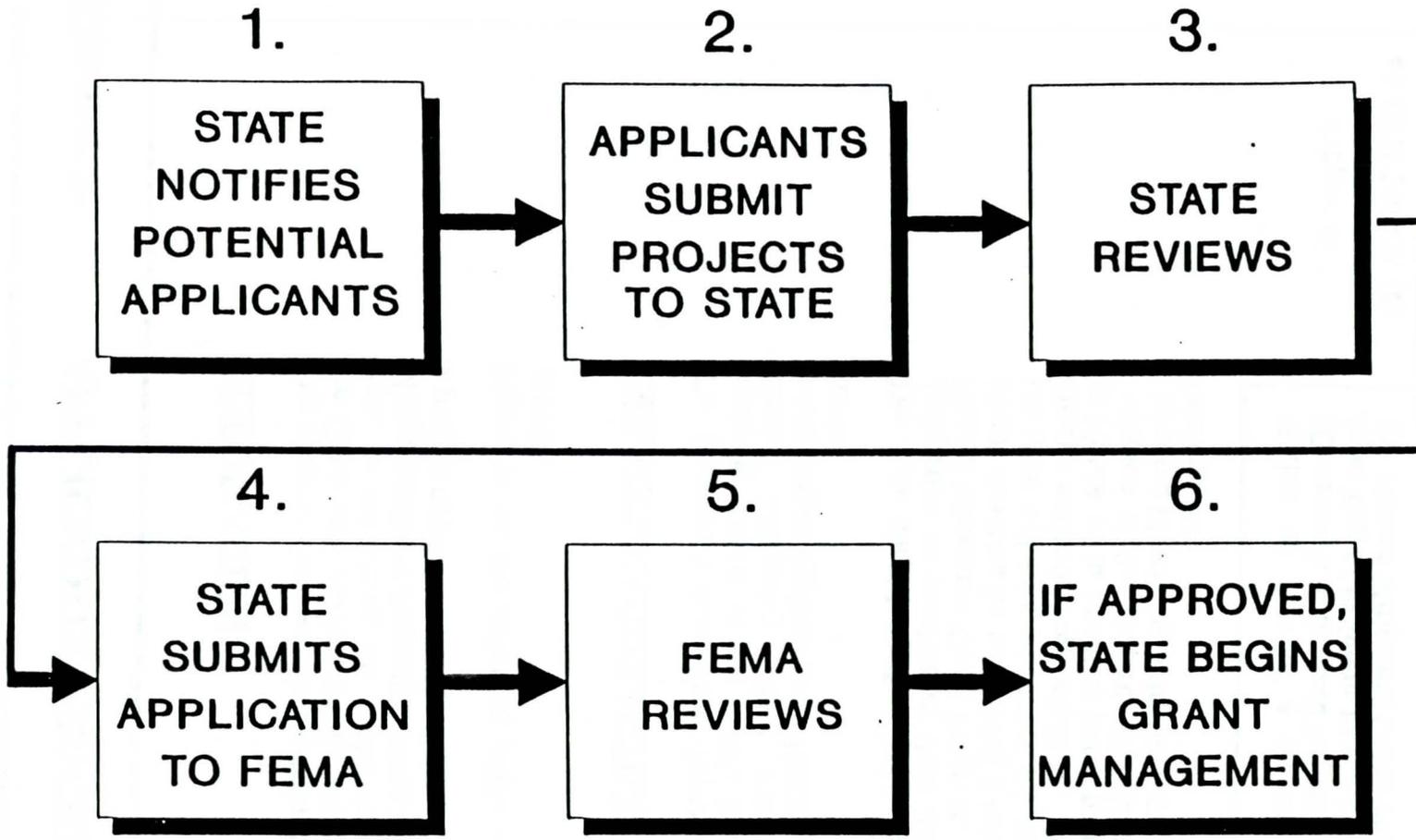
PRE-APPLICATION ACTIVITIES

The Governor's Authorized Representative is responsible for notifying FEMA of the state's intent to participate in the Hazard Mitigation Grant Program and, subsequently, submitting an application for Hazard Mitigation Grant Program funds.

The state should notify FEMA as soon after the disaster declaration as possible of their intent to participate in the Hazard Mitigation Grant Program. FEMA has established a 60-day deadline for submitting a letter of intent to ensure that the state will take advantage of, and fund appropriate, post-disaster mitigation opportunities. The state's prompt submittal to FEMA of its intent to participate will also facilitate timely initiation of the Hazard Mitigation Grant Program process, including identifying potential applicants and projects, holding briefings, etc.

Subpart N
Requirement
44 CFR 206.436 (c)

Within 60 days of a disaster declaration, the state (Governor's Authorized Representative) will notify FEMA in writing of its intent to participate or not participate in the Hazard Mitigation Grant Program.



7-4

FIGURE 3: APPLICATION PROCESS

The following letter of intent is included in Colorado's Administrative Plan.

SAMPLE LETTER OF INTENT

TO: FCO, FEMA Region VIII
FROM: GAR, Colorado Div. of Disaster Emergency Services

Sample
Letter of Intent

State of Colorado

This letter is to notify you that the state of Colorado intends to participate in the Hazard Mitigation Grant Program, which is available subsequent to the federal disaster declaration, FEMA-____-DR-CO on date.

(Name) _____ has been designated as the Hazard Mitigation Officer for the Hazard Mitigation Grant Program. If you should have any questions concerning the state's participation, please contact _____ (name) at _____ (phone).

After the letter of intent has been submitted to FEMA, the state should direct its efforts to identifying potential applicants and soliciting project applications. A discussion of methods that can be used to accomplish these activities is included in Chapter 4.

To ensure that potential projects meet eligibility criteria, states should establish a pre-application process. Development of a pre-application form will assist the state in reviewing potential projects to determine their initial eligibility prior to the subgrantee completing the full application. A sample pre-application form is included in Chapter 4.

Subpart N
Requirement
44 CFR 206.436 (d)

Upon identification of mitigation measures, the Governor's Authorized Representative will submit [the state's] Section 404 Hazard Mitigation Application to the FEMA Regional Director.

This should occur immediately following submittal of the letter of intent or as soon after the 60-day deadline as possible. For some disasters, this timeframe may not be realistic due to the size of the disaster, status of the state's hazard mitigation program, or other circumstances.

Those states required to develop a state hazard mitigation plan to fulfill Section 409 requirements should also meet the letter of intent and application deadlines. Projects identified during the plan development process can be submitted up to 90 days following the date of plan approval by FEMA.

THE HAZARD MITIGATION GRANT APPLICATION

Subpart N
Requirement
44 CFR 206.436 (d)

The application must include a Standard Form (SF) 424, Application for Federal Assistance; SF 424d, Assurances for Construction Programs, if appropriate; and a narrative statement.

Standard Forms

Under 44 CFR Part 13, FEMA is required to use standard Federal form 424 as part of the Hazard Mitigation Grant Program application. This form is used by programs providing Federal assistance, such as the Hazard Mitigation Grant Program. Examples of completed SF 424 and SF 424d forms have been included as Appendix K.

The state submits one SF 424 for each disaster. The SF 424 should include the total amount of Hazard Mitigation Grant Program funds available to the state. In some cases, the total funding amount may be an estimate based on preliminary damage information. Once the final amount of available funding is determined, FEMA will notify the state in writing, and the total amount of available funds will be entered into FEMA's computer system. The state will then be able to submit additional projects based on this revised funding amount.

Individual project applications are attached to the SF 424 and submitted to FEMA. The SF 424 does not need to include all project applications at the time it is submitted to FEMA, nor do the projects submitted with the SF 424 need to total the amount of available Hazard Mitigation Grant Program funding indicated on the SF 424. Projects may be submitted subsequent to submittal of the SF 424 as long as total project costs do not exceed available Federal funding.

Application Checklist

States are encouraged to develop an application checklist to be included as the cover sheet for individual project applications. A checklist will ensure that the applicant submits the required information, and will facilitate application review by the state and FEMA. A sample application checklist has been included in Appendix L.

Project Application

The narrative statement, more commonly referred to as the project application, identifies the proposed measure to be funded and provides information supporting the project's eligibility.

Most states have developed either forms or questionnaires to obtain the required project information. These project application forms are provided to the applicants and are submitted as attachments to the SF 424.

The following section discusses the issues to be addressed in a project application.

1. General Project Information.
--

Indicate the FEMA disaster declaration number, the FIPS Code (the Federal Information Processing Standards code is a number used to identify applicants for Public Assistance under P.L. 93-288), the date the application was submitted to the state, and the title of the project. It should also be noted whether this is an initial project submission or whether this application provides additional information requested from the state or FEMA.

2. Name of the subgrantee, if any.

Subpart N
Requirement
44 CFR
206.436 (d) (1)

Indicate whether the applicant is a town, county, or city; state agency; eligible private non-profit organization or institution; or Indian tribe.

Subpart N
Requirement
44 CFR
206.436 (d) (2)

3. State or local contact for the measure.

Identify the name, agency, address, and phone number of a contact person. If there is an alternate contact, include information for that person as well.

Subpart N
Requirement
44 CFR
206.436 (d) (3)

4. Location of the project.

Describe the project location by street address, road intersections, geographic landmarks, legal description, or other methods, if appropriate. Maps or drawings of the area should be provided indicating the project location. If the project is located within an identified flood hazard area, the National Flood Insurance Program map should be attached with the project location identified. It is also important to note whether the project is located inside or outside of the disaster area. (Projects can be located outside the disaster area if they will have a direct beneficial impact upon the impacted area.)

Subpart N
Requirement
44 CFR
206.436 (d) (4)

5. Description of the measure.

To assist state and local officials in reviewing and prioritizing project applications, the applicant should include as much detail as possible. This may include:

- Description of problem the proposed project is intended to solve;
- Primary objectives of the project;
- Appropriate maps and diagrams;

- Description of the damage caused by the current disaster or previous disasters, and/or the potential for future damage based on the area's exposure to hazards;
- How the project is intended to reduce hazard effects and risks;
- The number of people and/or the amount of property that will be protected with the proposed project; and
- Description of how the proposed project meets or exceeds minimum project criteria under 44 CFR 206.434 (b). These criteria are discussed in detail in Chapter 5.

Subpart N
Requirement
44 CFR
206.436 (d) (5)

6. Cost estimate for the measure.

Be as accurate as possible in computing project costs. Total estimated project costs should be indicated. A breakdown should also be provided that includes the following categories:

- Federal share (Hazard Mitigation Grant Program funds);
- Other Federal funds (e.g., Section 1362, Community Development Block Grant, etc.);
- State share;
- Applicant share; and
- Other non-Federal share.

If appropriate, costs for the following services should also be included:

- | | |
|--------------------------|----------------------|
| • Project management | • Labor |
| • Comprehensive study | • Equipment |
| • Engineering and design | • Staffing |
| • Site acquisition | • Transportation |
| • Construction | • Materials/Supplies |

Subpart N
Requirement
44 CFR
206.436 (d) (6)

7. Analysis of the measure's cost-effectiveness and substantial risk reduction, consistent with 44 CFR 206.434 (b) [Minimum Project Criteria; discussed in Chapter 5].

The applicant should explain how the cost of the project compares with the anticipated value of future damage reduction. This will help document that the benefits are greater than the costs. Other factors that should be addressed in analyzing the cost-effectiveness of a project include:

- The cost and useful life of the project;
- Frequency of the disaster event;
- An estimate of the dollar amount of damage that would be prevented as a direct result of the proposed project; and
- An estimate of the subsequent negative impacts to the area if the measure were not implemented.

The cost-effectiveness analysis should include both a narrative statement, describing the costs and expected damages, and a numerical analysis, justifying the findings. (Chapter 5 provides guidance on determining cost-effectiveness.)

Subpart N
Requirement
44 CFR
206.436 (d) (7)

8. Work schedule.

A work schedule should be provided that details, at a minimum, the start date, completion date, and project milestones, including dates for submittal of quarterly progress reports. If the project is detailed, it may be helpful to separate the activities into phases and perhaps tasks within those phases. If deliverables are required, deadlines for submission should be included. This information should be provided in a table, chart, or graph format.

A maintenance schedule should also be submitted indicating the maintenance activities that will need to be performed by the applicant for the life of the project.

Subpart N
Requirement
44 CFR
206.436 (d) (8)

9. Justification for selection.

The applicant should discuss why the project is required and how the project will solve the problem. This may involve a discussion of the other alternatives examined and the reason this specific approach was chosen. If the project is a recommendation from a post-disaster team report or state hazard mitigation plan, it may be appropriate to include supporting data from either the report or the plan.

Subpart N
Requirement
44 CFR
206.436 (d) (9)

10. Alternatives considered.

A discussion of the alternatives examined in selecting this project should be included. The narrative should address the reason(s) why they were determined not to be the most appropriate option. Issues such as effectiveness, cost, and affect on the environment should be examined.

Subpart N
Requirement
44 CFR
206.436 (d) (10)

11. Environmental information consistent with 44 CFR Part 9, Floodplain Management and Protection of Wetlands, and 44 CFR Part 10, Environmental Considerations.

Hazard Mitigation Grant Program projects must comply with appropriate environmental requirements. FEMA is ultimately responsible for preparing an environmental document describing the potential environmental impacts of all potential projects, although FEMA and the state may rely on the applicant to provide much of this information.

Many states have developed environmental questionnaires that are based on the FEMA Hazard Mitigation Branch's policy for Environmental Considerations. These questionnaires address land use and socioeconomic issues, air and water quality, natural resources, and archeological and historic resources. Information provided by this questionnaire will assist FEMA in either preparing a Finding of No Significant Impact or an

Environmental Impact Statement. A sample questionnaire has been included in Appendix F.

The applicant is responsible for meeting all state and local environmental requirements and initiating the application process for environmental permits or approvals, as necessary. The Reconnaissance/Review Report for Floodplain Management should also be used as appropriate. (This form is included in Appendix F.) This form satisfies the requirements of Executive Orders 11988 and 11990 and complies with the eight-step decision-making process.

12. Project Compliance Assurances.

Information should be included demonstrating that the project meets all applicable codes and standards for the project locale, i.e., construction, public notifications, etc. If there are other specific state requirements, i.e., more stringent environmental requirements, the applicant should document that these requirements have been met as well. (A list of state environmental laws is included in Appendix F.)

APPLICATION SUPPLEMENTS

Application supplements are submitted in cases where additional projects have been identified or modifications are necessary for previously submitted projects. This also allows for submission of measures that may be identified during the development of the state hazard mitigation plan.

All supplements to the application for the purpose of identifying new mitigation measures must be submitted to FEMA within 90 days of FEMA approval of the Section 409 Hazard Mitigation Plan.

Subpart N
Requirement
44 CFR 206.436 (e)

If additional time is necessary, the Regional Director may grant up to a 90-day extension upon receipt of written justification from the state.

APPLICATION APPROVAL

All applications and supplements must be submitted to the FEMA Regional Director for approval.

APPLICATION EXCEPTIONS

If a state is unable to assume grantee responsibilities under 44 CFR Part 206 Subpart N, an Indian tribe or tribal organization may submit a Hazard Mitigation Grant Program Application directly to the FEMA Regional Director. The Indian tribe becomes the grantee, and they must designate an equivalent to the Governor's Authorized Representative.

The Regional Director is also authorized to extend the 60-day letter of intent deadline if it has been determined, in writing from the state, that this extension is necessary.

CHAPTER 8

**PROJECT MANAGEMENT, ALLOW-
ABLE COSTS, AND APPEALS**

Chapter 8:**PROJECT MANAGEMENT, ALLOWABLE COSTS, AND APPEALS**

PROJECT MANAGEMENT

Subpart N
Requirement
44 CFR 206.438 (a)

The state, serving as grantee, has primary responsibility for project management and accountability of funds as indicated in 44 CFR Part 13.

The state should implement a record keeping and financial management system to meet FEMA's financial reporting requirements and to document that program funds have not been used in violation of existing regulations.

The state should maintain files for each project that include the project application, correspondence, vouchers, reports, receipts, and other appropriate documentation. Once project close-out has occurred, these records should be kept for a minimum of three years for audit purposes.

Subgrantees, in turn, are responsible to the state for funds they have received under the Hazard Mitigation Grant Program. Similar financial records should be maintained in order to document all project expenditures.

To ensure that subgrantees meet program and financial requirements, several states use a State-Local Disaster Assistance Agreement for the Hazard Mitigation Grant Program. A sample agreement is included as Appendix M.

Cost Overruns

It may be determined during project implementation that project costs are exceeding the approved cost estimates. If this occurs, the subgrantee should notify the state, either by letter or through the quarterly progress report. If the state is funding more than one project, it may be possible to offset increased

costs on one project with decreased costs on another, so long as the full scope of work continues to be met for the projects, and as long as the total Federal share of Hazard Mitigation Grant Program funds does not exceed 50 percent of the total project costs.

Subpart N
44 CFR 206.438 (b)

and

44 CFR 206.438 (c)

Cost overruns which can be met without additional federal funds, or which can be met by offsetting cost underruns on other projects, need not be submitted to the Regional Director for approval, so long as the full scope of work on all affected projects can still be met.

Any problems or circumstances affecting . . . project costs which are expected to result in noncompliance with the approved grant conditions shall be described in the [Quarterly Progress Report].

It may well be the case, however, that justifiable cost overruns might occur on projects that cannot be offset by cost underruns on other projects. It may happen that there are no other projects within a state that have cost underruns, or that have sufficient underruns, to cover cost overruns on other projects. It is entirely possible, especially for very large or complex projects, that the initial cost estimate at the time of project approval will differ from the final project costs. Therefore there is a real possibility if all Federal Hazard Mitigation Grant Program funding is committed to projects early in the disaster, that there may not be any "cushion" or reserve of Federal funds to draw upon if legitimate cost overruns occur.

Since the available funding in the Hazard Mitigation Grant Program is established by law and cannot be exceeded, some FEMA regions and states have taken the precaution of not allocating all of the Federal grant program funding until it is fairly well assured that there will not be a problem with legitimate cost overruns on projects. For example, in the case of the Loma Prieta earthquake, which generated many projects, some of which were quite large and complex, 10 percent of the total Federal funding under the Hazard Mitigation Grant Program was held in reserve and not committed to projects. Projects were funded in phases, with the last phase of projects being those that would be funded from whatever funds remained in the 10 percent reserve. Regions and states are

encouraged to take this approach to guard against difficulties arising when cost overruns occur.

Quarterly Progress Reports

Subpart N
Requirement
44 CFR 206.438 (c)

The grantee shall submit a quarterly progress report to FEMA indicating the status and completion date for each measure funded.

To meet this requirement, and to facilitate project management, states require subgrantees to submit quarterly progress reports that are reviewed and approved by the state before being forwarded to FEMA.

Reports should include project status, anticipated completion date, and financial information. Any problems affecting completion dates, scope of work, or project costs should be described.

Many states have developed quarterly progress report forms for use by the subgrantee. These reports should be submitted every three months, from the date of project approval by FEMA until the project is completed. When setting progress report deadlines for the subgrantee, time should be allowed for review by the grantee before the report is forwarded to FEMA.

The following is a sample quarterly progress report form from the state of Washington.

Sample
Quarterly Progress
Report Form

State of
Washington

WASHINGTON DIVISION OF EMERGENCY MANAGEMENT
QUARTERLY PROGRESS REPORT

Name _____
Title _____
Organization _____
Address _____
Phone(s) _____

Project Name _____

(Continued)

Sample
Quarterly Progress
Report Form

State of Washington
(Continued)

-
1. Start date of the project _____
 2. Anticipated completion date _____
 3. Funds expended to date _____
 4. Anticipated cost overrun/underrun _____
 5. Summary of progress on project for the time frame of ____, 19__ through ____, 19__ by task as listed on the state/local work agreement or contract. (Attach additional sheets if necessary.)
 6. Problems encountered:
 7. Assistance needed:
 8. Status (please check pertinent information):

<u>Project Status</u>		<u>Project Cost Status</u>	
(1) ___	Project on schedule	(1) ___	Cost unchanged
(2) ___	Project suspended	(2) ___	Cost overrun
(3) ___	Project delayed	(3) ___	Cost underrun
(4) ___	Project cancelled		
(5) ___	Project completed		
-

Project Close-Out

The subgrantee should notify the state in writing once a project has been completed. The Administrative Plan should identify procedures for project close-out including written notification from the subgrantee, and documentation of paid and unpaid expenditures. The state will review the documentation to ensure that all claims and costs are eligible and that work performed is in compliance with the approved project application. If necessary, the state may inspect projects for compliance. Upon approval of project documentation, the region will authorize the state to make final payment.

Audit Requirements

State and local governments receiving grant funds from FEMA must comply with the following audit requirements under the Single Audit Act of 1984, P.L. 98-502. The Single Audit Act, which is implemented by the Office of Management and Budget Circular A-128, "Audit of State and Local Governments" (44 CFR Part 14), requires the following:

Audit Requirements
Under
44 CFR Part 14

1. State or local governments that receive \$100,000 or more a year in Federal financial assistance shall have an audit in accordance with this Circular.
2. State or local governments that receive between \$25,000 and \$100,000 a year shall have an audit made in accordance with this Circular, or in accordance with Federal laws and regulations governing the programs they participate in.
3. State or local governments that receive less than \$25,000 a year shall be exempt from compliance with this Circular and other Federal audit requirements.

Audits shall be conducted annually unless the state or local government, as of January 1, 1987, requires less frequent audits.

Audits shall be made by an independent auditor, and will examine either the entire operations of the government or those departments or agencies that received, expended, or administered Federal funds.

Complete records of all work, expenses, contracts, etc., should be retained to facilitate audit requirements.

FEMA may also elect to conduct its own audit of grantees and subgrantees receiving Hazard Mitigation Grant Program funds.

ALLOWABLE COSTS

In addition to specific project costs, grantees and subgrantees will be reimbursed for two types of costs:

1. Administrative Costs; and
2. State Management Costs.

Both administrative costs and state management costs are paid from the general disaster fund. This ensures that Hazard Mitigation Grant Program funds will be available to fund eligible projects.

Administrative Costs

Administrative costs are established by law under Section 406 (f) of the Stafford Act, and have been incorporated into the Hazard Mitigation Grant Program regulations at 44 CFR 206.439 (1). The purpose of the law is to ensure that grantees and subgrantees are reimbursed for the costs of administering activities associated with specific projects. These activities include:

Subpart N
44 CFR
206.439 (b) (1) (i)

. . . preparation of applications, quarterly reports, final audits, and related field inspections by state employees, including overtime pay and per diem and travel expenses . . .

The calculation of administrative costs is based on a sliding scale established by law. These costs are automatically calculated by FEMA's computer system, and are obligated as projects are funded.

Subgrantee Administrative Costs. Subgrantee administrative costs are based on total project costs or twice the amount of the Federal share, whichever is less. In some cases, Hazard Mitigation Grant Program funds may be limited and the Federal share may be less than 50% of project costs.

The reason that subgrantee administrative costs are based on twice the Federal share, or on total project costs, is that the intent of the law is to reimburse the subgrantee for administrative costs of the full project, with the assumption that the Federal share should represent 50% of the project costs.

For example, if the total cost of a project is \$100,000, and the Federal share is \$50,000, the subgrantee administrative costs will be based on \$100,000. But if, for example, the Federal share was, for some reason, limited to \$40,000 of a \$100,000 project, subgrantee administrative costs would be based on \$80,000, or twice the Federal share.

Sliding Scale
Subgrantee
Administrative Costs

Subpart N
44 CFR
206.439 (b) (1) (ii)

SUBGRANTEE ADMINISTRATIVE COSTS

- A. For the first \$100,000 of net eligible costs, three percent of such costs.
- B. For the next \$900,000, two percent of such costs.
- C. For the next \$4,000,000, one percent of such costs.
- D. For those costs over \$5,000,000, one-half percent of such costs.

The following examples illustrate how these costs are determined.

Calculation of
Subgrantee
Administrative Costs

Federal Share is 50%

CALCULATION OF SUBGRANTEE ADMINISTRATIVE COSTS
Federal Share is 50%

Total Project Cost:	\$78,000
Federal Share:	39,000
Subgrantee Administrative Costs:	\$2,340
Federal share x 2 = \$78,000	
\$78,000 x 3% (sliding scale) = \$2,340	

Calculation of
Subgrantee
Administrative Costs

Federal Share is
Less Than 50%

CALCULATION OF SUBGRANTEE ADMINISTRATIVE COSTS
Federal Share is Less Than 50%

Total Project Cost:	\$125,000
Federal Share:	27,000
Subgrantee Administrative Costs:	\$1,620
Federal share x 2 = \$54,000	
\$54,000 x 3% (sliding scale) = \$1,620	

Grantee Administrative Costs. Grantee administrative costs are based on the total amount obligated for each project. The total project amount includes subgrantee administrative costs which are automatically calculated each time project funds are obligated.

The grantee administrative costs are based on only the Federal share of project costs (and not the full project costs) because it is assumed that as a 50/50 grant program, the grantee should be responsible for the administrative costs of their share of the project.

Sliding Scale
Grantee
Administrative Costs

Subpart N
44 CFR
206.439 (b) (1) (i)

GRANTEE ADMINISTRATIVE COSTS	
A.	For the first \$100,000 of total assistance provided (Federal share), 3 percent of such assistance;
B.	For the next \$900,000, 2 percent of such assistance;
C.	For the next \$4,000,000, 1 percent of such assistance; and
D.	For assistance over \$5,000,000, one-half percent of such assistance.

The following example illustrates the calculation of grantee administrative costs.

Calculation of Grantee
Administrative
Costs

<u>Project Cost:</u>	\$45,000
<u>Federal Share:</u>	\$17,500
Subgrantee Admin. =	$\$35,000 \times 3\% = \$1,050$
Grantee Admin. =	\$17,500.00
	+ <u>1,050.00</u> (subgrantee admin.)
	\$18,550.00
	x <u>3%</u>
	\$ 556.50

The grantee is also eligible to receive indirect costs, such as contractor fees, for administration of the grant program.

Administrative costs differ from state management costs which are described in the following section.

State Management Costs

As required under 44 CFR Part 13, FEMA may pay the state for costs incurred managing the Hazard Mitigation Grant Program. These costs differ from administrative costs in that the state must request approval of state management costs from FEMA before funds are obligated. These requests are typically made through a letter to FEMA that provides supporting information and justification for funding. These costs are in accordance with cost-share provisions of the grant program and are shared on a 50/50 basis. Therefore, FEMA will pay 50% of the state's management costs.

State management costs will be based on the personnel needs of the state. These costs should be consistent with the staffing requirements for administration of the Hazard Mitigation Grant Program that are described in the state's Administrative Plan and the staffing pattern developed for the Disaster Field Office at the time of a disaster. State management costs generally represent regular time salaries and are not intended to fund overtime, per diem, and other costs that are already covered by administrative costs. State management costs are negotiated between FEMA and the state and must be approved prior to assigning or hiring staff for the Hazard Mitigation Grant Program.

States may request and receive state management costs as soon as a disaster occurs. Initial grant program activities will begin before projects are funded and will require sufficient staff to accomplish. These activities may include applicant briefings, solicitation of projects, technical assistance to potential applicants, etc. Additional funds may be requested during implementation of the grant program as costs are incurred.

The following letter from California requests state management costs for the hiring of staff to assist with the Hazard Mitigation Grant Program.

Excerpts From
Letter
Requesting
State Management
Costs

State of
California

The state submits the following narrative to support our request for management costs as our first mitigation measure to be funded.

The Hazard Mitigation Grant Program (HMGP) management costs listed below reflect projected costs to initiate the first seven months of the process. We intend to supplement this request as program workload and timeframes become evident.

The principal local government contact will be the State Hazard Mitigation Officer (SHMO). Under the direct supervision of the SHMO and the general direction of the Chief, Disaster Assistance Division, four individuals will be hired for three positions to implement the HMGP.

The proposed staffing pattern is as follows for this seven month period:

	<u>Number of Positions</u>	<u>Cost</u>
Administrative Assistant	1	\$17,500
Staff Services Analyst	1	\$14,000
Associate Governmental Program Analyst	2	<u>\$44,500</u>
		\$76,000

Sincerely,

Governor's Authorized Representative

APPEALS

A subgrantee may appeal any decision made regarding projects submitted for funding under the Hazard Mitigation Grant Program. The appeal must be in writing and must contain sufficient documentation to support the subgrantee's position. A decision can be appealed to several levels, resulting in a final review by the Director of FEMA.

The Governor's Authorized Representative's Role

If a project is not approved and the subgrantee wishes to appeal the decision, the appeal must be made within 60 days from the date the subgrantee was notified. The appeal is to be submitted to the Governor's Authorized Representative.

Subpart N
Requirement
44 CFR 206.440 (b)

Upon receipt of an appeal from a subgrantee, the grantee shall review the material submitted, make such additional investigations as necessary, and shall forward the appeal with a written recommendation to the Regional Director within 60 days.

The Regional Director's Role

The FEMA Regional Director has 90 days to make a determination on the appeal or to request additional information from the state.

Subpart N
Requirement
44 CFR 206.440 (c)

Within 90 days following the receipt of such additional information, the Regional Director shall notify the grantee, in writing, of the disposition of the appeal.

If the FEMA Regional Director denies the appeal, the subgrantee, through the Governor's Authorized Representative and FEMA Regional Director, may submit an appeal to the FEMA Associate Director within 60 days of the Regional Director's denial. The second appeal should include either new or expanded information to support the need for a second appeal and re-evaluation.

The Associate Director's Role

The Associate Director, State and Local Programs and Support, has 90 days to either make a determination on the appeal or to request additional information. Once the information has been received, the Associate Director has 90 days to render a decision.

If project evaluation involves technical issues, the Associate Director . . .

Subpart N
44 CFR
206.440 (d) (2)

... may ask an independent scientific or technical group or person with expertise in the subject matter of the appeal to review the appeal in order to obtain the best possible evaluation. In such cases, the 90 day time limit will run from the submission of the technical report.

The Director's Role

If the appeal is denied by the Associate Director, the subgrantee, through the Governor's Authorized Representative, may appeal to the Director of FEMA. The appeal must be made within 60 days of the Associate Director's decision. The Director has 90 days to make a determination on the appeal or to request additional information.

The Director may also, in consultation with the subgrantee and/or the state, request a technical or scientific group to assist in evaluating the appeal, or appeals may be submitted to FEMA staff not affiliated with Disaster Assistance Programs for review and recommendation. The Director will make a determination and notify the state of the disposition of the appeal within 60 days after the submission of a recommendation.

If an appeal is granted during this process, the FEMA Regional Director will notify the Federal Hazard Mitigation Officer and the process to implement the proposed mitigation measure will be initiated.

If an action is appealed to the Director of FEMA, the Director's decision is final.

APPENDICES

- Appendix A: FEMA Regional Hazard Mitigation Officers
- Appendix B: Terminology
- Appendix C: Acronyms
- Appendix D: "Guidance on the Eligibility of Equipment Purchases for
Emergency Management Operations Under the Hazard
Mitigation Grant Program"
- Appendix E: Schedule of Equipment Rates
- Appendix F: Environmental Guidance
- F1: Environmental Considerations
 - F2: Environmental Considerations Questionnaire
 - F3: Requirements of the Department of the Army Regulatory
Program
 - F4: Reconnaissance/Review Report for Floodplain Management
 - F5: State Environmental Laws
- Appendix G: Press Release
- Appendix H: Agenda for Applicants Briefing
- Appendix I: Project Evaluation Score Sheet
- Appendix J: Community Rating System Flood Warning Program

Appendix K: SF 424 and 424D

Appendix L: Project Application Checklist

Appendix M: State-Local Disaster Assistance Agreement

FEMA REGIONAL HAZARD MITIGATION OFFICERS**Region I**

(Connecticut, Maine, Massachusetts,
New Hampshire, Rhode Island, and
Vermont)

Hazard Mitigation Officer
FEMA Region I
J.W. McCormack Post Office and
Courthouse, Room 442
Boston, MA 02109
Commercial: (617) 223-9500
FAX: (617) 223-9507

Region II

(New Jersey, New York, Puerto Rico,
and Virgin Islands)

Hazard Mitigation Officer
FEMA Region II
26 Federal Plaza, Room 1349
New York, NY 10278
Commercial: (212) 225-7213
FAX: (212) 225-7005

Region III

(Delaware, District of Columbia,
Maryland, Pennsylvania, Virginia, and
West Virginia)

Hazard Mitigation Officer
FEMA Region III
105 South 7th Street
Philadelphia, PA 19106
Commercial: (215) 931-5712
FAX: (215) 931-5730

Region IV

(Alabama, Florida, Georgia, Kentucky,
Mississippi, North Carolina, South
Carolina, and Tennessee)

Hazard Mitigation Officer
FEMA Region IV
1371 Peachtree Street, NE, Suite 700
Atlanta, GA 30309
Commercial: (404) 853-4302
FAX: (404) 853-4344

Region V

(Illinois, Indiana, Michigan, Minnesota,
Ohio, and Wisconsin)

Hazard Mitigation Officer
FEMA Region V
175 West Jackson Blvd., 4th Floor
Chicago, IL 60604-2698
Commercial: (312) 408-5369
FAX: (312) 408-5599

Region VI

(Arkansas, Louisiana, New Mexico,
Oklahoma, and Texas)

Hazard Mitigation Officer
FEMA Region VI
Federal Regional Center
Denton, TX 76201-3698
Commercial: (817) 898-5144
FAX: (817) 898-5163

Region VII

(Iowa, Kansas, Missouri, and Nebraska)

Hazard Mitigation Officer
FEMA Region VII
911 Walnut Street
Kansas City, MO 64106

Commercial: (816) 283-7025
FAX: (816) 283-7042

Region IX

(Arizona, California, Hawaii, Nevada,
Guam, American Samoa, Trust
Territories of the Pacific, Republic of
the Marshall Islands, Commonwealth of
the Northern Marianas, and Federated
States of Micronesia)

Hazard Mitigation Officer
FEMA Region IX
Bldg. 105, Presidio
San Francisco, CA 94129

Commercial: (415) 923-7251
FAX: (415) 923-7270

Region VIII

(Colorado, Montana, North Dakota,
South Dakota, Utah, and Wyoming)

Hazard Mitigation Officer
FEMA Region VIII
Bldg. 710, Denver Federal Center
P.O. Box 25267
Denver, CO 80225-0267

Commercial: (303) 235-4900
FAX: (303) 235-4939

Region X

(Alaska, Idaho, Oregon, and
Washington)

Hazard Mitigation Officer
FEMA Region X
Federal Regional Center
130 228th Street, SW
Bothell, WA 98021-9796

Commercial: (206) 487-4740
FAX: (206) 487-4741

TERMINOLOGY

Applicant: a state agency, local government, eligible private non-profit organization, or Indian tribe.

Application: the initial request for Section 404 funding; includes, at a minimum, SF 424, Application for Federal Assistance, and narrative statement.

CFR Part 9: Floodplain Management and Protection of Wetlands; regulations to implement and enforce Executive Order 11988, Floodplain Management, and Executive Order 11990, Protection of Wetlands.

CFR Part 10: Environmental Considerations; regulations for compliance with the National Environmental Policy Act.

CFR Part 13: Uniform Administrative Requirements for Grants and Cooperative Agreements to States and Local Governments; establishes administrative requirements for federal grants and subgrants.

CFR Part 14: Administration of Grants: Audits of State and Local Governments; requirements for non-federal audits of recipients of financial assistance from FEMA.

CFR Part 206: Federal Disaster Assistance for Disasters Declared On or After November 23, 1988; regulations for implementing the Stafford Act.

Damage Survey Report: a report of damages caused by a major disaster or emergency including location, description, and estimate of required work.

Disaster Preparedness Improvement Grant Program: authorized under Section 201 of the Stafford Act. Annual matching awards not to exceed \$50,000 are provided to states to improve or update their disaster assistance plans and capabilities.

Environmental Assessment: prepared when a project does not qualify as a categorical exclusion and serves to determine whether an Environmental Impact Statement is needed.

Environmental Impact Statement: prepared for all actions significantly affecting the environment.

Executive Orders 11988 and 11990: the requirements to avoid direct or indirect support of floodplain development and to minimize harm to floodplains and wetlands. Federal decision-makers are obligated to comply with these orders, accomplished through an eight-step decision-making process.

Executive Order 12699: requires that new construction of Federal buildings must comply with appropriate seismic design and construction standards.

Federal Hazard Mitigation Officer: the FEMA employee responsible for representing the agency for each declaration in carrying out the overall responsibilities for hazard mitigation and for Subpart M, including coordinating post-disaster hazard mitigation actions with other agencies of government at all levels.

FEMA-State Agreement: states the understandings, commitments, and conditions for assistance under which FEMA disaster assistance shall be provided. This agreement imposes binding obligations on FEMA, states, and their local governments in the form of conditions for assistance which are legally enforceable.

Finding of No Significant Impact: a determination that an action will have no significant impact on the environment.

Governor's Authorized Representative: The individual, designated by the Governor, who serves as the grant administrator for all funds provided under the Hazard Mitigation Grant Program.

Grant: an award of financial assistance. Under the Hazard Mitigation Grant Program, the total grant award shall not exceed ten percent of the estimated federal assistance provided under Section 406 of the Stafford Act.

Grantee: the government to which a grant is awarded and which is accountable for the use of the funds provided. Under the Hazard Mitigation Grant Program, the state is the grantee.

Hazard Mitigation: any action taken to reduce or permanently eliminate the long-term risk to human life and property from natural hazards.

Hazard Mitigation Assistance Program: provides a limited amount of funding to states to cover or to assist in covering the cost of preparing a pre-disaster hazard mitigation plan, one or more components of such a plan, or a related activity which will contribute to reducing vulnerability to hazards either throughout the state or for a selected area within the state.

Hazard Mitigation Grant Program: authorized under Section 404 of the Stafford Act. Provides funding for hazard mitigation projects that are cost effective and complement existing post-disaster mitigation programs and activities by providing funding for beneficial mitigation measures that are not funded through other programs.

Hazard Mitigation Plan: the plan resulting from a systematic evaluation of the nature and extent of vulnerability to the effects of natural hazards present in society that includes the actions needed to minimize future vulnerability to hazards.

Hazard Mitigation Plan Update: an update to an existing hazard mitigation plan, which may be accomplished either by updating the status of mitigation actions within the existing plan or by expanding the existing plan to address additional hazards or mitigation issues.

Hazard Mitigation State Administrative Plan: the plan developed by the state to describe the procedures for administration of the Hazard Mitigation Grant Program.

Hazard Mitigation Survey Team: the FEMA/State/Local survey team that is activated following disasters to identify immediate mitigation opportunities and issues to be addressed in the Section 409 hazard mitigation plan. The Hazard Mitigation Survey Team may include representatives of other Federal agencies, as appropriate.

Hazard Mitigation Survey Team Report: developed by the Hazard Mitigation Survey Team, and similar in format to the Interagency Hazard Mitigation Team Report, the report identifies mitigation measures for implementation and recommends issues to be addressed in the State Hazard Mitigation Plan, including those measures recommended for funding under the Hazard Mitigation Grant Program.

Individual Assistance: supplementary Federal assistance provided under the Stafford Act to individuals and families adversely affected by a major disaster or emergency.

Interagency Hazard Mitigation Team: the mitigation team that is activated following flood related disasters pursuant to the Office of Management and Budget directive on Nonstructural Flood Protection Measures and Flood Disaster Recovery, and the subsequent December 15, 1980 Interagency Agreement for Nonstructural Damage Reduction.

Interagency Hazard Mitigation Team Report: developed within 15 days following any presidentially declared flood disaster by an interagency, intergovernmental, and interdisciplinary team representing each of the signatory agencies of the Interagency Agreement for Post-Flood Hazard Mitigation. The report identifies post-flood mitigation opportunities and common post-flood recovery policies.

Local Hazard Mitigation Officer: the representative of local government who serves on the Hazard Mitigation Survey Team or the Interagency Hazard Mitigation Team, and who is the primary point of contact with FEMA, other Federal agencies, and the state in the planning and implementation of post-disaster hazard mitigation activities.

Measure: any mitigation measure, project, or action proposed to reduce risk of future damage, hardship, loss, or suffering from disasters.

National Environmental Policy Act: requires that actions affecting the environment comply with specific policies and procedures.

Public Assistance: Federal financial assistance provided to state and local governments or to eligible private nonprofit organizations for disaster-related requirements.

Public Assistance Permanent Work: the restorative work that must be done, through repairs or replacement, to restore an eligible facility on the basis of its pre-disaster design and in conformity with current applicable codes, specifications, and standards.

Section 1362: of the National Flood Insurance Act of 1968; authorizes the flooded property acquisition program.

Section 404: of the Stafford Act, authorizes the Hazard Mitigation Grant Program which provides funding for cost-effective hazard mitigation measures.

Section 406: of the Stafford Act; authorizes Public Assistance grants to repair, restore, or replace damaged facilities belonging to public and private non-profit entities, and other associated expenses, including emergency protective measures and debris removal.

Section 409: of the Stafford Act, enacted to encourage identification and mitigation of hazards at all levels of government, Section 409 requires the identification and evaluation of mitigation opportunities as a condition for receiving Federal disaster assistance.

Section 409 Hazard Mitigation Plan: the hazard mitigation plan required under Section 409 as a condition of receiving Federal disaster assistance.

SF 424: Standard Form 424, Application for Federal Assistance; to be included as part of Hazard Mitigation Application.

Stafford Act: Robert T. Stafford Disaster Relief and Emergency Assistance Act, PL 100-707, signed into law November 23, 1988; amended the Disaster Relief Act of 1974, PL 93-288.

State Hazard Mitigation Officer: the representative of state government who serves on the Hazard Mitigation Survey Team and Interagency Hazard Mitigation Team, and who is the primary point of contact with FEMA, other Federal agencies, and local units of government in the planning and implementation of post-disaster mitigation activities.

State Hazard Mitigation Team: composed of key state agency representatives, local units of government, and other public or private sector bodies or agencies, the purpose of the State Hazard Mitigation Team is to evaluate hazards, identify strategies, coordinate resources, and implement measures that will reduce the vulnerability of people and property to damage from hazards.

State Management Costs: authorized under the Stafford Act; the salaries of state personnel responsible for managing the Hazard Mitigation Grant Program are reimbursable.

Statutory Administrative Costs: authorized under the Stafford Act; administrative costs for preparation of applications, progress reports, audits, etc., are reimbursable based on a percentage of financial assistance received.

Subgrant: an award of financial assistance under a grant by a grantee to an eligible subgrantee.

Subgrantee: the government or other legal entity to which a subgrant is awarded and which is accountable to the grantee for use of the funds provided. Subgrantees can be a state agency, local government, private non-profit organization, or Indian tribe.

Subpart M, Hazard Mitigation Planning: 44 CFR Part 206 Subpart M prescribes the actions and procedures for implementing Section 409 of the Stafford Act.

Subpart N, Hazard Mitigation Grant Program: 44 CFR Part 206 Subpart N provides guidance on the administration of hazard mitigation grants made under provisions of Section 404 of the Stafford Act.

Supplement: an amendment to the hazard mitigation application to add or modify one or more mitigation measures.

ACRONYMS

CATEX	Categorical Exclusion
CFR	Code of Federal Regulations
CRS	Community Rating System
DAPD	Disaster Assistance Programs Division
DPIG	Disaster Preparedness Improvement Grant
DSR	Damage Survey Report
EA	Environmental Assessment
EIS	Environmental Impact Statement
EMI	Emergency Management Institute
EO	Executive Order
FEMA	Federal Emergency Management Agency
FHMO	Federal Hazard Mitigation Officer
FONSI	Finding of No Significant Impact
GAR	Governor's Authorized Representative
HMA	Hazard Mitigation Assistance
HMGP	Hazard Mitigation Grant Program
HMST	Hazard Mitigation Survey Team
IHMT	Interagency Hazard Mitigation Team
LHMO	Local Hazard Mitigation Officer
NEPA	National Environmental Policy Act
NFIP	National Flood Insurance Program

RD

FEMA Regional Director

SHMO

State Hazard Mitigation Officer

SHMT

State Hazard Mitigation Team



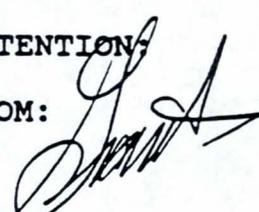
Federal Emergency Management Agency

Washington, D.C. 20472

FEB 7 1992

MEMORANDUM FOR: All FEMA Regional Directors

ATTENTION: DAP Chiefs

FROM:  Grant C. Peterson
Associate Director
State and Local Programs and Support

SUBJECT: Guidance on the Eligibility of Equipment
Purchases for Emergency Management Operations
Under the Hazard Mitigation Grant Program.

This memorandum clarifies existing policy on funding warning systems, emergency power generators, and other similar equipment purchases under the Hazard Mitigation Grant Program (HMGP), which is authorized under Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988. This guidance follows a meeting of Headquarters Hazard Mitigation Branch staff with FEMA Region IV representatives, and consultation with representatives of other regional offices who frequently are asked to fund emergency operations equipment. It appears that there is confusion about the types of projects that are intended to be funded under the HMGP. For example, without regard for other mitigation alternatives, FEMA has been asked to fund warning systems and sirens, communications systems including new radio/telephone equipment with battery reserves, enhanced computer hardware, electronic wiring networks, emergency power generators, and the remodeling of emergency operating centers, including the installation of elevators for the handicapped. Many of these projects cannot be funded under the HMGP for reasons discussed in this memorandum.

The funding of such emergency operations equipment does not generally fit within the concept of mitigation as defined within the HMGP. Such projects would therefore not typically be an eligible project under the HMGP. This memorandum discusses the rationale behind the HMGP's approach to emergency operations equipment, and provides guidance on such equipment purchases. The memorandum is divided into three parts. Part One clarifies the meaning of "hazard mitigation" as it is used under the HMGP. Part Two provides guiding principles for project approval based on the intent and purpose of the HMGP. Part Three gives examples of linkages between hazard mitigation projects and equipment purchases. While the scope of this memorandum is limited to the purchase of emergency operations equipment, it also applies in principle to other similar mitigation proposals.

A task force with representatives from the National Emergency Management Association (NEMA) and the Association of State Floodplain Managers (ASFPM) is assisting FEMA to evaluate the HMGP, including issues of project eligibility. That task force is part of a long-range effort to evaluate the HMGP and suggest policy, procedural, or regulatory changes that will improve implementation of the HMGP. While that effort is underway, FEMA will continue to provide guidance and clarification of existing policy. Additional guidance is in the process of being developed on cost-effectiveness and environmental requirements of the HMGP.

Part One: Definition of Hazard Mitigation

The term "hazard mitigation" has a specific meaning within the context of the HMGP. Hazard mitigation is defined as an action intended to reduce repetitive losses from future natural disasters. Repetitive loss refers to life, injury, and property damage where the loss results not only in personal suffering but also in local, State, and Federal government expenditure for disaster preparedness, response and recovery operations. Therefore, a project is a hazard mitigation project if it is directed toward reducing future disaster relief expenditures for the repair or replacement of public and private property, and expenditures for the relief of personal loss, hardship, and suffering.

In one sense, "hazard mitigation" permeates everything the field of emergency management tries to do. For example, a warning system designed to alert people that flooding is imminent is considered a mitigation measure by many emergency managers. However, within the context of the HMGP, mitigation measures are those projects that reduce the risk of repetitive loss and hardship so that the cost of response and recovery will be less in the future. They are not measures that simply prepare individuals or communities to respond to a threat.

This definition of hazard mitigation is consistent with the intent of Congress as found in official records and stated just prior to passage of the Stafford Act in 1988. For example, Congressman Ridge of Pennsylvania explained:

[Section 404 of the Act will provide incentives] to individuals and State and local governments to encourage them to perform hazard mitigation measures. Such measures can help save lives and personal property and will help to protect the Federal disaster fund from being used twice to repair the same damage in future disaster situations.

(134 Cong. Rec. H10,851 (1988) [Emphasis added].

The eligibility criteria of the HMGP, as found in 44 CFR 206, Subpart N, are designed to assure that Congressional objectives are met. Funds are approved under the HMGP only for projects that have the greatest potential for reducing future disaster expenditures in the affected area.

This means that where the preparedness phase of emergency management identifies a need for operations equipment, the HMGP stresses the application of funds for projects that would lessen the need for operations equipment. For example, rather than funding a warning system that might merely alert residents that flooding is imminent (as described above), the HMGP seeks to fund projects that would relocate or elevate buildings within a flood hazard area, provide structural protection from flooding, or adopt and enforce better codes to ensure future protection. Project proposals must be analyzed to determine their true potential as mitigation projects relative to other projects that might provide a more effective or longer-term solution to the problem.

Another important point relative to project eligibility is that HMGP regulations prohibit the use of grant funds as substitute or replacement financing for projects that are ordinarily provided for by other programs. The reason for this is simple. It was never intended that the HMGP would fund all emergency management needs identified in the wake of a natural disaster. HMGP funds cannot be used to fill the gap that may be created because other programs are not sufficiently funded to meet the total demand. FEMA administers programs that support emergency operating centers, warning and communications systems, maintenance and services, and the Emergency Broadcast System. The HMGP is not designed nor intended to fill funding gaps within those programs.

Part Two: Guiding Principles for Funding Operations Equipment

Funding priority should be accorded those projects that have the greatest potential for reducing future disaster relief expenditures and relief of personal loss, hardship, and suffering. Therefore, the first step in evaluating a proposed mitigation project is to answer these questions:

- (1) Is the project the most practical and promising alternative after consideration of a range of options?
- (2) Is there a direct and clear relationship to reducing damages to public and/or private property?
- (3) Will the project result in lessening expenditures and personal loss, hardship, and suffering?

If the proposed project passes this basic test of eligibility, it must be demonstrated, in addition, that it satisfies the remaining eligibility criteria of the HMGP, as found in 44 CFR 206, Subpart N. These criteria are:

- (1) A project must conform to the State hazard mitigation plan required under Section 409 of the Stafford Act;
- (2) have a beneficial impact upon the designated disaster area;
- (3) conform to floodplain management and environmental considerations;
- (4) solve a problem independently or as a functional part of a solution reasonably guaranteed to be completed; and,
- (5) be cost-effective and substantially reduce the risk of future damages, hardship, loss, and suffering.

Specific guidance on cost-effective evaluation is in the process of being developed. Generally, cost-effective evaluations require an assessment of risk and assigning values to the many factors affecting a project. In addition, whether an individual project is judged cost-effective depends on the results of comparison to a range of potential mitigation actions that might be taken in the disaster area.

Part Three: Application of Guiding Principles

The following discussion provides examples of eligible and ineligible mitigation measures for emergency operations equipment under the HMGP. In all cases a project application that includes emergency operations equipment must be cleared through other FEMA program offices, e.g., the Regional Emergency Management and National Preparedness Division and/or the Natural and Technological Hazards Division, to obtain appropriate technical review of the application and to prevent the use of HMGP funds as substitute funding for other program funds.

Emergency Operating Centers: The HMGP would fund the relocation or floodproofing, or seismic retrofit, of an emergency operating center in the interest of a comprehensive mitigation strategy adopted by a community. HMGP funds are not appropriately used to increase operational capability or modernize equipment. Hazard mitigation rather than enhanced preparedness capability must be the key objective of a project. For example, a project aimed only at modernizing communications with state-of-the-art equipment and remodeling to gain room space is not an eligible hazard mitigation project under the HMGP.

Emergency Power Generators: For serious funding consideration, a power generator project must constitute, minimally, a cost-effective and important part of a total solution after considering a range of mitigation options. For example, emergency power may be cost-effective for a critical public facility such as the pumping apparatus of a sewer treatment plant because failure of such a facility could endanger health and property. However, a project that offers a total solution to widespread power outages is more likely to meet the criteria for funding under the HMGP. For example, it would be more appropriate to fund emergency generators to critical facilities as a short-term solution to the problem if there is evidence that the community is also cooperating with appropriate State and Federal agencies to install secure utility lines to withstand natural disasters in the area.

The reason for this approach to emergency generators is clear. Emergency generators alone do not solve the problem of reducing the likelihood of repetitive power outages which are the consequence of old or poorly designed and maintained utility systems. The mere funding of an emergency generator in such a setting without a companion effort to improve the utility system by installing secure power lines to critical facilities, for example, is a short-term solution that has no potential for correcting the problem of power outages in a natural disaster.

Warning Systems: The regulations of the HMGP state that warning systems are eligible for funding. It should be understood, however, that such systems must still satisfy all program eligibility criteria to be approved for funding. This means that among other criteria, a warning system must be the best solution after consideration of a range of alternatives. Frequently, warning systems are proposed without considering other solutions, such as property acquisition and relocation, development and redevelopment policies and priorities in the endangered area, or structural measures such as flood walls.

Generally, a warning system would not be selected under the HMGP as the best mitigation alternative because longer-term, more comprehensive mitigation solutions should be sought. If a warning system were to be found eligible, it would have to include reduction of loss to life and property as an essential component of the project. Therefore, equipment purchases alone would not be funded under the HMGP. A warning system must include, in addition to equipment, awareness, evacuation exercise, and maintenance programs. The absence of these mitigation components would mean that the likelihood of damages, hardship, and suffering is not being reduced.

For guidance on developing or improving a warning system, for example, see the Federal Insurance Administration's guidance on the Community Rating System (CRS), Section 610, Flood Warning Program (Attachment A). At a minimum, flood warning systems should meet these criteria when reviewing proposed equipment purchases for warning systems. The CRS guidance incorporates four components: (1) A flood threat recognition system to detect impending floods; (2) a system to tell people that a flood is coming; (3) regular maintenance and testing of equipment and practice drills; and (4) a public information program to advise people about the warning system and what to do when a flood comes. Warning systems must be carefully evaluated on a case-by-case basis to ensure that they are the most cost-effective and appropriate solution to the problem at hand. FEMA's Civil Preparedness Guides (CPG series) also offer general guidance on warning systems.

Summary

The HMGP was designed to provide a new and independent means of funding post-disaster mitigation measures. But, by law, this program was carefully crafted to support the comprehensive State and local mitigation plans and programs required under Section 409 of the Stafford Act. Therefore, State and local governments should strive to evaluate the full range of mitigation measure available, and to select the best and most cost-effective mitigation measures within the context of these comprehensive plans and programs. FEMA encourages States and local governments to establish and actively utilize mitigation teams, comprised of key agencies involved in planning, development, and emergency management, to assist in the identification of these measures and alternatives. FEMA's goal is to provide guidance and technical assistance necessary to help State and local governments achieve this end.

I trust that this memorandum will help clarify existing policy on the eligibility of emergency operations equipment under the Hazard Mitigation Grant Program. If you should have questions about this guidance, please contact Gary L. Sepulvado of the Hazard Mitigation Branch at (202) 646-3355.

Attachment

FEDERAL EMERGENCY MANAGEMENT AGENCY
STATE AND LOCAL PROGRAMS AND SUPPORT
DISASTER ASSISTANCE PROGRAMS
WASHINGTON, D.C. 20472

SCHEDULE OF EQUIPMENT RATES

The rates on this Schedule of Equipment Rates are for equipment in good mechanical condition, complete with all required attachments. Each rate covers all costs eligible under PL 93-288, as amended, for ownership and operation of equipment, including depreciation, all maintenance, field repairs, fuel, lubricants, tires, OSHA equipment and other costs incident to operation. Standby equipment costs are not eligible. Equipment must be in actual operation to be eligible. LABOR COSTS OF OPERATOR ARE NOT INCLUDED and should be approved separately from equipment costs.

Information regarding the use of the Schedule is contained in FEMA criteria. Rates for equipment not listed will be furnished by FEMA upon request. Any appeals shall be in accordance with 44 CFR 206.

THESE RATES ARE APPLICABLE TO MAJOR DISASTERS AND EMERGENCIES DECLARED BY THE PRESIDENT AFTER THE DATE OF PUBLICATION OF THIS SCHEDULE.

COST CODE	EQUIPMENT	CAPACITY	SIZE	HOURLY RATE	COST CODE	EQUIPMENT	CAPACITY	SIZE	HOURLY RATE
8010	AIR COMPRESSOR	TO 150 CFM		\$4.50	8131	CRANE	TO 10 TN		\$24
8011	AIR COMPRESSOR	TO 225 CFM		7.00	8132	CRANE	TO 20 TN		39
8012	AIR COMPRESSOR	TO 325 CFM		11.50	8133	CRANE	TO 30 TN		52
8013	AIR COMPRESSOR	TO 425 CFM		13.00	8134	CRANE	TO 45 TN		56
8014	AIR COMPRESSOR	TO 600 CFM		20.00	8135	CRANE	TO 50 TN		61
8020	AMBULANCE			.33/MI	8140	DREDGE		TO 160 HP	27
8030	AUTOMOBILE			.25/MI	8141	DREDGE		TO 240 HP	32
8040	BOAT		TO 50 HP	8.00	8150	EXCAVATOR, HYDRAULIC (1)	TO 0.50 CY		23
8041	BOAT		TO 75 HP	11.50	8151	EXCAVATOR, HYDRAULIC (1)	TO 1.00 CY		30
8042	BOAT		TO 100 HP	13.50	8152	EXCAVATOR, HYDRAULIC (1)	TO 1.25 CY		32
8050	BROOM, SELF PROP			7.75	8153	EXCAVATOR, HYDRAULIC (1)	TO 1.50 CY		42
8060	BROOM, TOWED W/POWER			3.00	8154	EXCAVATOR, HYDRAULIC (1)	TO 2.00 CY		62
8070	BROOM, TOWED			1.50	8170	FORK LIFT		TO 50 HP	1
8080	BRUSH CHIPPER		TO 65 HP	4.75	8171	FORK LIFT		TO 80 HP	1
8081	BRUSH CHIPPER		TO 105 HP	8.50	8201	GENERATOR (2)		TO 11 HP	1
8082	BRUSH CHIPPER		TO 165 HP	13.00	8202	GENERATOR (2)		TO 21 HP	1
8090	BUS	TO 16 PASS		0.33/MI	8203	GENERATOR (2)		TO 25 HP	1
8091	BUS	OV 16 PASS		0.47/MI	8204	GENERATOR (2)		TO 50 HP	1
8100	CHAIN SAW			1.25	8205	GENERATOR (2)		TO 75 HP	1
8110	CLAM OR DRAGLINE	TO 1.00 CY		34.00	8206	GENERATOR (2)		TO 100 HP	1
8111	CLAM OR DRAGLINE	TO 1.25 CY		41.00	8207	GENERATOR (2)		TO 150 HP	1
8112	CLAM OR DRAGLINE	TO 1.50 CY		49.00	8208	GENERATOR (2)		TO 200 HP	2
8113	CLAM OR DRAGLINE	TO 2.00 CY		61.00	8221	GRADER, MOTOR		TO 75 HP	1
8120	COMPACTOR, HAND HELD		TO 5 HP	1.50	8222	GRADER, MOTOR		TO 100 HP	2
8121	COMPACTOR, HAND HELD		TO 12 HP	4.00	8223	GRADER, MOTOR		TO 135 HP	2
8285	CONCRETE, FLOOR TROWEL		TO 8 HP	1.00	8224	GRADER, MOTOR		TO 155 HP	2
8280	CONCRETE MIXER, PORTABLE		TO 8 HP	1.25	8225	GRADER, MOTOR		TO 187 HP	2
8290	CONCRETE, TRANSIT MIXER		TO 235 HP	35.00	8226	GRADER, MOTOR		TO 210 HP	3
8291	CONCRETE, TRANSIT MIXER		TO 285 HP	38.00	8227	GRADER, MOTOR		TO 250 HP	4
8130	CRANE	TO 5 TN		17.00	8228	GRADER, MOTOR		TO 275 HP	6

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COST CODE	EQUIPMENT	CAPACITY	SIZE	HOURLY RATE	COST CODE	EQUIPMENT	CAPACITY	SIZE	HOURLY RATE
8240	LOADER, CRAWLER (3)	TO 0.75 CY		\$10.50	8400	SPREADER, TLGATE		TO 7 HP	\$1.00
8241	LOADER, CRAWLER (3)	TO 1.00 CY		13.00	8410	SWEeper, PICKUP		TO 95 HP	20.00
8242	LOADER, CRAWLER (3)	TO 1.50 CY		16.50	8411	SWEeper, PICKUP		TO 175 HP	23.00
8243	LOADER, CRAWLER (3)	TO 2.00 CY		23.00	8420	TRACTOR, CRAWLER		TO 42 HP	9.50
8244	LOADER, CRAWLER (3)	TO 2.50 CY		29.00	8421	TRACTOR, CRAWLER		TO 67 HP	13.51
8245	LOADER, CRAWLER (3)	TO 3.00 CY		39.00	8422	TRACTOR, CRAWLER		TO 78 HP	16.00
8246	LOADER, CRAWLER (3)	TO 4.00 CY		55.00	8423	TRACTOR, CRAWLER		TO 110 HP	21.00
8260	LOADER, WHEELED (3)	TO 0.25 CY		6.00	8424	TRACTOR, CRAWLER		TO 165 HP	30.00
8261	LOADER, WHEELED (3)	TO 0.50 CY		7.50	8425	TRACTOR, CRAWLER		TO 210 HP	44.00
8262	LOADER, WHEELED (3)	TO 1.00 CY		11.00	8426	TRACTOR, CRAWLER		TO 310 HP	58.00
8263	LOADER, WHEELED (3)	TO 1.50 CY		16.00	8440	TRACTOR, WHEELED		TO 50 HP	5.00
8264	LOADER, WHEELED (3)	TO 2.00 CY		16.00	8441	TRACTOR, WHEELED		TO 83 HP	6.50
8265	LOADER, WHEELED (3)	TO 2.50 CY		20.00	8442	TRACTOR, WHEELED		TO 134 HP	17.00
8266	LOADER, WHEELED (3)	TO 3.00 CY		23.00	8443	TRACTOR, WHEELED		TO 186 HP	28.00
8267	LOADER, WHEELED (3)	TO 4.00 CY		31.00	8444	TRACTOR, WHEELED		TO 215 HP	38.00
8268	LOADER, WHEELED (3)	TO 4.5 CY		36.00	8463	TRAILER, DUMP	TO 12 CY		5.50
8269	LOADER, WHEELED (3)	TO 5.0 CY		41.00	8460	TRAILER, DUMP	TO 20 CY		6.25
8306	PAVEMENT BREAKER		TO 75 HP	12.00	8461	TRAILER, DUMP	TO 24 CY		7.50
8307	PAVEMENT BREAKER		TO 150 HP	29.00	8480	TRAILER, EQUIPMENT	TO 10 TN		2.00
8300	PAVER		TO 44 HP	9.00	8481	TRAILER, EQUIPMENT	TO 20 TN		2.75
8301	PAVER		TO 96 HP	27.00	8482	TRAILER, EQUIPMENT	TO 30 TN		4.75
8302	PAVER		TO 260 HP	46.00	8483	TRAILER, EQUIPMENT	TO 40 TN		5.50
8310	PLOW, MOUNTED			2.50	8484	TRAILER, EQUIPMENT	TO 50 TN		8.50
8320	PUMP	TO 1.5 IN		1.00	8490	TRAILER, LIQUID	TO 3000 GAL		10.00
8321	PUMP	TO 2.0 IN		1.25	8491	TRAILER, LIQUID	TO 5000 GAL		12.00
8322	PUMP	TO 3.0 IN		1.50	8492	TRAILER, LIQUID	TO 10000 GAL		16.00
8323	PUMP	TO 4.0 IN		2.50	8500	TRAILER OFFICE			5.00/DY
8324	PUMP	TO 6.0 IN		8.00	8510	TRENCHER		TO 36 HP	6.50
8325	PUMP	TO 8.0 IN		9.00	8511	TRENCHER		TO 65 HP	9.75
8326	PUMP	TO 10.0 IN		10.00	8512	TRENCHER		TO 94 HP	15.00
8327	PUMP	TO 12.0 IN		14.50	8513	TRENCHER		TO 113 HP	25.00
8340	PUMP, W/O POWER	TO 16.0 IN		0.50	8514	TRENCHER		TO 164 HP	42.00
8341	PUMP, W/O POWER	TO 20.0 IN		1.00	8520	TRUCK	TO 0.5 TN		.25/MI
8342	PUMP, W/O POWER	TO 24.0 IN		1.25	8521	TRUCK (4)		TO 130 HP	7.50
8350	ROLLER		TO 58 HP	6.50	8522	DELETED			
8351	ROLLER		TO 96 HP	13.00	8523	TRUCK (4)	TO 4 CY	TO 150 HP	13.00
8352	ROLLER		TO 114 HP	16.00	8524	TRUCK (4)	TO 6 CY	TO 175 HP	13.00
8353	ROLLER		TO 150 HP	22.00	8525	TRUCK (4)	TO 8 CY	TO 190 HP	16.00
8360	ROLLER, TOWED (PER DRUM)			0.75	8526	TRUCK (4)	TO 10 CY	TO 250 HP	24.00
8370	SAW, CONCRETE		TO 18 HP	2.25	8527	TRUCK (4)	TO 12 CY	TO 275 HP	24.00
8371	SAW, CONCRETE		TO 65 HP	7.00	8528	TRUCK (4)	OV 12 CY	TO 400 HP	28.00
8380	SCRAPER	TO 11 CY		43.00	8530	TRUCK	TO 1 TN		.31/MI
8381	SCRAPER	TO 16 CY		56.00	8531	TRUCK (4)	TO 1 TN		9.50
8382	SCRAPER	TO 22 CY		72.00	8532	TRUCK (4)	TO 3 TN		11.00
8390	SCRAPER, TOWED	TO 9 CY		13.00	8550	WELDER		TO 15 HP	2.00
8391	SCRAPER, TOWED	TO 12 CY		14.00	8551	WELDER		TO 32 HP	5.00
8392	SCRAPER, TOWED	TO 18 CY		18.00	8552	WELDER		TO 56 HP	7.00

GENERAL NOTES

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ALL CAPACITIES LISTED ARE BASED ON FACTORY DESIGNATED STRUCK CAPACITY
TRUCKS USED FOR TRANSPORT OF PEOPLE MUST BE BASED ON RATE PER MILE.

- (1) SEE LOADER, WHEELED OR CRAWLER FOR EQUIPMENT WHICH HAS A BACKHOE BUCKET AND FRONT END BUCKET
- (2) TO CONVERT GENERATOR HP TO KW, DIVIDE HP / 1.34
- (3) WHEN EQUIPMENT IS USED AS A BACKHOE, USE THE RATE FOR THE FRONT END BUCKET
- (4) THIS RATE APPLIES TO ALL FLATBED, UTILITY, BOOM-MOUNTED, FIRE, AND TRACTOR TRUCKS .

HAZARD MITIGATION GRANT PROGRAM**Environmental Considerations**

Projects funded under the Hazard Mitigation Grant Program must comply with all appropriate environmental requirements. This includes compliance with the National Environmental Policy Act (NEPA) of 1969, P.L. 91-190, as amended; Executive Order 11988, Floodplain Management; and Executive Order 11990, Protection of Wetlands. Detailed guidance for implementing NEPA can be found in FEMA regulations at 44 CFR Part 10 and FEMA Environmental Review Handbook, DR&R-6. 44 CFR Part 9 addresses compliance with Executive Orders 11988 and 11990. The Floodplain Management Handbook, DR&R-11, contains additional guidance on the executive orders. Other environmental legislation that may be applicable in this process includes: Section 7 of the Endangered Species Act of 1973, Section 106 of the Historic Preservation Act of 1966, Section 404 (b) (1) of the Clean Water Act of 1977, and Section 10 of the Rivers and Harbors Act of 1899.

NEPA requires that environmental information be available to public officials and citizens before decisions are made and actions are taken. This information is consolidated and analyzed in environmental documents, either Environmental Assessments or Environmental Impact Statements. It is FEMA's responsibility to prepare the environmental document, although the state and/or local proponent of the project should provide much of the basic information, including any special studies that need to be performed. Coordination with all appropriate agencies and individuals is very important.

Executive Orders 11988 and 11990 affect those actions that are located in or affect a floodplain or wetland. The Eight-Step-Decision-Making Process is the mechanism for insuring compliance with the two Executive Orders. Preparation of the environmental document will, in general, satisfy the requirements for documenting the eight-step process.

Both NEPA and the executive orders require notification of the public when the project is initially developed and at the end of the planning phase, before any action is taken. In the case of NEPA, a public notice should be published when an Environmental Assessment is proposed and when the assessment is approved (but prior to taking the action). The eight-step process also requires (at a minimum) an initial public notice and a final notice.

Section 404 (b) (1) of the Clean Water Act requires an evaluation of the effects of projects involving the discharge of dredged or fill material into waters of the United States. Section 10 of the Rivers and Harbors Act also requires evaluation of construction projects within the water of the United States. Projects that involve construction in or around wetlands or waters of the United States, should be coordinated with the appropriate District Office of the U.S. Army Corps of Engineers (USACE). In these situations, the applicant should work with the USACE in developing the project and alternatives to avoid impacts to wetlands and other significant resources.

HAZARD MITIGATION GRANT PROGRAM**Environmental Considerations Questionnaire**

Projects funded under the Hazard Mitigation Grant Program must comply with certain environmental requirements. The first step is to determine if the individual project is categorically excluded from the need to prepare an environmental document. The types of projects that do not need an environmental analysis are those which will not result in any physical change to the environment. Such projects include:

1. Training activities;
2. Public education programs;
3. Studies that involve no commitment of resources other than manpower and funding; and
4. Technical assistance activities.

If it is determined that a project meets the categorical exclusion criteria, provide a brief explanation describing the project and why there will be no impact to the environment.

All other projects should include an environmental analysis to aid in the compliance with environmental requirements. Other state agencies such as the Department of Natural Resources or the State Historic Preservation Office may have information pertinent to the potential environmental impacts of the project. Phone records or letters of response should be included in the submittal package. Information provided in this analysis should be as complete and thorough as possible to expedite approval. "Yes" or "no" answers may not be sufficient. Both beneficial and adverse impacts should be addressed. This analysis should contain:

1. Need for the proposed action: what is the problem/issue that is being addressed?

Discuss why the project is needed and provide a little history on the importance of solving this particular problem.

2. Description of the proposed action, including location, all actions associated with implementing the project, and timing of project implementation.

Provide a complete description, including maps or diagrams if appropriate. Include acreage or linear feet of area that will be affected, estimated quantities of material, and a clear statement of the scope of the project. The entire project may not require an environmental analysis, but all aspects of the proposal should be discussed. Discuss the relationship between the elements of the project that do and do not require the environmental analysis.

3. Alternatives considered, including the no action alternative.

Be as specific as possible in listing the alternatives. The no action alternative must be included. Do not discuss impacts of the alternatives here, simply define what other types of solutions were considered.

4. A discussion of the existing resources in the project area.

Provide a brief description of the project area. Include natural and historic resources, significant cultural or social issues, and land use concerns. It is important to note the existence of any special resources in this section, such as endangered species, historic or archeological sites, wetlands, etc.

5. An analysis of the environmental effects of the proposed project and alternatives.

This is the major section of the environmental analysis. Provide as much background information on the existing conditions as necessary to assist in the evaluation of the potential impacts. It is important to include information on the impacts of the alternatives as well as the proposed project.

Land-use and Socio-economic Issues

- a. Is the proposed project inconsistent with land use in the area?
- b. Does the project conflict with local zoning ordinances?
- c. Will the project result in the relocation of any structures?
- d. Will the project have a significant effect on the economic activities of the area?
- e. Will the project have a significant effect on any parks or recreation areas?
- f. Does the proposed activity or project require a Coastal Zone Consistency Determination? State how project is consistent with the state coastal zone management plan.
- g. Will the project affect any prime and unique farmlands, or farmlands with statewide or local importance?
- h. Is the project located in a floodplain or floodway? If so, hydrologic impact analysis may be required.

Air Quality and Water Quality

- a. Will the project have a significant effect on air quality?
- b. Will the project require any dredging and/or disposal of any material (including construction) in any wetlands or waterways? If so, the project may require a U.S. Army Corps of Engineers (USACE) Section 404 permit.
- c. Will there be any modification of the stream bed or banks of a waterway?
- d. Will the project affect any declared wild and scenic river or any river being studied for inclusion as a wild and scenic river?

Natural Resources

- a. Will the project require the significant removal of any marine, aquatic, or terrestrial vegetation?
- b. Will the project involve construction in marshland or wetland areas or will the project adversely affect any wetland areas?
- c. Are there any known rare or endangered species within range of the project area?
- d. Is the project located inside or near a wildlife refuge or wildlife conservation area?

Archeological and Historic Resources

- a. Is the project site located in any area of archeological, cultural, or historical significance? Contact the State Historic Preservation Officer (SHPO) for determination.

6. Coordination. Identify those agencies that were contacted in the development of the project and in the preparation of this environmental analysis. As mentioned above, documentation of the coordination is often very useful. This may consist of phone contact records, letters, or meeting minutes. The types of agencies or groups that should be contacted will vary depending on the type of project and potential environmental impacts. Appropriate agencies for coordination might include:

State Environmental Agency to coordinate state and Federal environmental requirements;

The U.S. Fish and Wildlife Service for impacts to endangered and threatened species and critical habitat, as well as fish and wildlife conservation issues;

State Department of Natural Resources and/or State Fish and Game Departments for impacts to natural resources;

State Historic Preservation Officer for impacts to historic and archeological resources (these agencies have information on properties currently listed on the National Register of Historic Places as well as properties being considered for local, state, and Federal lists);

State Coastal Council Agency for compliance with Coastal Zone Management Programs;

State Department of Natural Resources and/or FEMA NTH Branch for compliance with floodplain management regulations, including construction impacts on floodways and floodplains;

U.S. Soil Conservation Service for impacts to prime and unique farmlands, and proper erosion control practices;

U.S. Department of Interior for potential impacts to identified or proposed wild and scenic rivers or other wilderness areas;

U.S. Geological Survey to coordinate projects involving stream gauges;

U.S. Army Corps of Engineers to identify potential impacts on wetlands or waters of the United States; USACE may require a permit for construction in navigable waters or a permit for discharge of material into waters of the United States;

State Environmental Agency and/or Environmental Protection Agency for potential impacts to air and water quality; the project may require discharge or other permits; and

Appropriate Local Departments or Agencies for local permit requirements, significant resources, or construction impacts.

7. References (if appropriate)

This questionnaire should be attached to the project application submitted for Hazard Mitigation Grant Program funding. The information provided in the above document will be analyzed at the Regional office to determine if there will be significant environmental impacts as a result of the proposed project. As mentioned above, simple "yes" or "no" answers may not be sufficient. The analysis should provide enough information so that a complete evaluation of the potential environmental impacts can easily be made. Good documentation will expedite the processing of the grant application.

REQUIREMENTS OF THE DEPARTMENT OF THE ARMY REGULATORY PROGRAM

Background

The legislative origins of the Department of the Army regulatory program are the Rivers and Harbors Acts of 1890 and 1899. Various sections establish permit requirements to prevent unauthorized obstruction or alteration of any navigable water of the United States. The most frequently exercised authority is contained in Section 10 (33 U.S.C. 403) which covers construction, excavation, or deposition of materials in, over, or under such waters, or any work which would affect the course, location, condition, or capacity of those waters. The authority is granted to the Secretary of the Army. Other permit authorities in the Act are Section 9 for dams and dikes, Section 13 for refuse disposal, and Section 14 for temporary occupation of work built by the United States. Various pieces of legislation have modified these authorities, but not removed them. Activities requiring Section 10 permits include structures (e.g., piers, wharfs, breakwaters, bulkheads, jetties, weirs, transmission lines) and work such as dredging or disposal of dredged material, or excavation, filling or other modifications to the navigable waters of the United States.

In 1972, amendments to the Federal Water Pollution Control Act added what is commonly called Section 404 authority (33 U.S.C. 1344) to the program. The Secretary of the Army, acting through the Chief of Engineers, is authorized to issue permits, after notice and opportunity for public hearings, for the discharge of dredged or fill material into waters of the United States at specified disposal sites. Selection of these sites must be in accordance with guidelines developed by the Environmental Protection Agency (EPA) in conjunction with the Secretary of the Army; these guidelines are known as the 404 (b) (1) Guidelines. The Federal Water Pollution Control Act was further amended in 1977, and given the common name of the "Clean Water Act," and in 1987 to modify criminal and civil penalty provisions and to add an administrative penalty provision.

A 404 (b) (1) water quality evaluation must be prepared for all projects in which dredged or fill material will be discharged into waters of the United States. The term "waters of the United States" is defined in the Environmental Protection Agency Guidelines for Specification of Disposal Sites for Dredged or Fill Material, Federal Register, December 24, 1980, and includes the following:

All waters which are currently used, or were used in the past, or may be susceptible to use in interstate or foreign commerce, including all waters which are subject to the ebb and flow of the tide;

All interstate waters including interstate wetlands;

All other waters such as intrastate lakes, rivers, streams (including intermittent streams), mudflats, wetlands, sloughs, prairie potholes, wet meadows, playa lakes, or natural ponds, the use, degradation, or destruction of which could affect interstate or foreign commerce;

All impoundments of waters otherwise defined as waters of the United States under this definition;

Tributaries of waters identified in this Section;

The territorial sea; and

Wetlands adjacent to waters identified above.

The term wetlands means those areas that are inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas.

Compliance with the Regulatory Program

The applicant must take the initiative in applying for the Section 404 and/or Section 10 permit. Applicants should be encouraged to contact the local USACE District Regulatory Office while they are developing their HMGP project proposal to discuss the appropriate procedures. Since two to three months are normally required to process a routine permit application, early coordination can be very important. The USACE permit process also requires a public notice period and environmental analysis. These can be combined with the environmental/floodplain management requirements whenever possible to limit the duplication of effort and reduce the time needed to process the grant application.

The Department of the Army and the Environmental Protection Agency recently signed a Memorandum of Agreement (MOA) that clarifies the procedures to be used in determining the type and level of mitigation necessary to demonstrate compliance with the Clean Water Act Section 404 (b) (1) Guidelines. The MOA is consistent with the President's goal of no overall net loss of wetlands. This may affect HMGP projects located in or near wetlands or waters of the United States. Alternatives to the proposed project or mitigation to limit the effects on wetlands may be required by the USACE in approving the permit.

Certain categories of projects may be covered under the USACE nationwide permit program. This program is a form of general permit which may authorize activities throughout the nation. The projects covered by the nationwide permits are not required to go through the detailed permit application procedures discussed above. Types of projects that may be covered by this program include:

The repair, rehabilitation, or replacement of any previously authorized, currently serviceable structure or fill, provided such repair, rehabilitation, or replacement does not result in a deviation from the plans of the original structure or fill;

Staff gages, tide gages, water recording devices, water quality testing and improvement devices, and similar scientific structures; and

Bank stabilization activities provided: the activity is less than 500 feet in length; the activity is necessary for erosion prevention; it is limited to less than an average of one cubic yard per running foot placed along the bank within waters of the United States; no material is placed in excess of the minimum needed for erosion protection; no material is placed in any wetland area; no material is placed in any location or in any manner so as to impair surface water flow into or out of any wetland area; only clean material free of waste metal products, organic material, unsightly debris, etc., is used; and the activity is a single and complete project.

FEDERAL EMERGENCY MANAGEMENT AGENCY
 RECONNAISSANCE/REVIEW REPORT FOR FLOODPLAIN MANAGEMENT

(FOR PROJECTS OVER \$ 5,000 ONLY)

A	B	1	C	D	E	2	6	7	8

APPLICANT _____ CATEGORY _____
 DSR NUMBER _____

A
1. Facility
2. Bldg/Structure
3. Non-Emergency Debris Disposal

B
1 Yes
X No

1. Is the project in a Wetland (Swamp, marsh, etc.)? Yes No
2. Is the project in one of the following zones on a FIA/FEMA map? If it is, give map no. _____ If an FIA/FEMA map is unavailable, please estimate.

(CHECK ONLY ONE)

- (1) _____ 100-year Floodplain
- (2) _____ 500-year Floodplain (CRITICAL ACTION)
- (3) _____ Floodway
- (4) _____ Coastal High Hazard Area
- (5) _____ Check if project is outside floodplain but supports development in floodplain

STEP 1
1
2
3
4
5

IF PROJECT IS NEITHER IN NOR AFFECTS THE FLOODPLAIN OR WETLAND,
 CHECK "NO" IN BLOCK 8A OF THE DSR AND DO NOT FILL OUT THIS FORM.

3. Total DSR estimated cost of restoration. (Check one)

- (1) _____ 0-49% of replacement cost
- (2) _____ 50-99% of replacement cost
- (3) _____ 100% of replacement cost
- (4) _____ Not applicable (Example - Debris Disposal)

C
1
2
3
4

4. Has this project been structurally damaged by flooding before? yes no. If yes, when _____ Has a flood insurance payment(s) ever been received? (BUILDINGS ONLY) yes no.

D
Declared Disaster/ Insurance Payment?
1. Yes
2. No
3. Don't know or N/A

5. Mark type of land use upstream and downstream.

	UPSTREAM	DOWNSTREAM
(a) Pasture/Cropland (Sparse development)	_____	_____
(b) Forest/Desert (Undeveloped)	_____	_____
(c) Urban (Developed)	_____	_____
(d) Wetland (Marsh or Sloughs)	_____	_____

6. Recommendation (Check one)

1. Relocate outside base floodplain _____
2. Restore facility/structure with mitigation _____
3. Transfer function to another facility _____
4. Reduce scope of work or cost _____
5. Restore facility/structure without mitigation _____
6. No Action (Disapprove project) _____
7. More Information Required (Explain) _____

NOTES: For each recommendation except 5 and 6, complete and attach a Hazard Mitigation Proposal showing the estimated work and costs. Submit signed reports with DSR.

Federal Inspector _____ Date _____

NOTE TO REVIEWER: If the project is outside both the floodway and coastal high hazard area, has not sustained prior structural damage and total damages are less than 50% of replacement cost and less than \$25,000, complete only Steps 4, 5, & 8. For the Floodplain Number, fill in blocks A, B, 1, C & D enter "x" in block E, 2, 6 and 7 and "2" or "5" in block 8, as appropriate.

7. Justification for Floodway or Coastal High Hazard Area Location (Block E)

E
1. Functionally dependent use
2. Facilitates open space use
X Neither

8. Initial Notice Determination

(a) Degree of Public Need Essential ___ Useful ___ Minimal ___

(b) No. of Individuals Affected less than 100 ___ ; 100 to 5000 ___ ; more than 5000 ___

	Repair/Replacement		Relocate		No FEMA Action	
	HIGH	LOW	HIGH	LOW	HIGH	LOW
(c) Potential for Controversy	___	___	___	___	___	___
(d) Potential Impact	___	___	___	___	___	___

STEP 2
0. Cumulative
1. Individual

9. Are the following alternatives feasible? (Base your decision on the considerations listed below).

	(a) Engineering		(c) Economic Aspects		(e) Legal Constraints	
	yes	no	yes	no	yes	no
(b) Natural Environment	___	___	___	___	___	___
1. Relocated outside the base floodplain	___	___	___	___	___	___
2. Restore facility/structure with mitigation	___	___	___	___	___	___
3. Transfer function to another facility	___	___	___	___	___	___
4. Reduce scope of work	___	___	___	___	___	___
5. Restore facility/structure without mitigation	___	___	___	___	___	___
6. No Action (Disapprove project)	___	___	___	___	___	___
7. Suspend for further investigation	___	___	___	___	___	___

STEP 3

10. Circle below, the number of each feasible alternative and determine if each alternative will minimize adverse impacts or not [indicate Yes (Y) or NO (N)]

	1	2	3	4	5	6	7
1. Minimize danger to lives	___	___	___	___	___	___	___
2. Minimize damage to facility	___	___	___	___	___	___	___
3. Minimize damage elsewhere	___	___	___	___	___	___	___
4. Reduce support of floodplain or wetland development	___	___	___	___	___	___	___
5. Restore floodplain values	___	___	___	___	___	___	___
6. Maintain or improve economic resources	___	___	___	___	___	___	___
7. Maintain or improve social resources	___	___	___	___	___	___	___

STEPS 4 & 5

11. Re-evaluate the alternatives. Insert the number of the chosen alternative from STEP 3 in the box. If none, enter "x" here and indicate suspension in Step 8 with a "7".

STEP 6

12. Final Notice Determination

First check if any of the following apply:

___ Critical action

___ DSR greater than \$100,000

___ Repair is a substantial improvement

___ Previously damaged in declared flooding disaster

___ Located in Floodway or Coastal High Hazard Area

___ An individual first notice was issued

___ Past flood insurance payment(s)

STEP 7
1. None of the criteria apply (no final notice necessary)
2. Cumulative Final Notice
3. Individual Final Notice
4. Federal EIS is required

13. Reviewer's Recommendation (Circle recommended alternative)

FEMA Reviewer _____ Date _____

STEP 8
1 2 3 4 5 6 7

STATE ENVIRONMENTAL LAWS

Arkansas Statute

Ark.Stat.Am. Sec. 8-1-101

California Environmental Quality Act

Pub.Res. Code 21000
14 C.C.R. 15000

Connecticut Environmental Policy Act

Conn.Gen.Stat.Ann. Sec. 22a-14 to -20
Conn.Reg. 22a-1 to - 1g

Hawaii Environmental Impact Statement Process

Chap. 343 H.R.S.
Chap. 200 - Title 11 Admin. Rules

Indiana Environmental Policy Act

Ind.CodeAnn. Title 13, Art. 1, CH. 10, Sec. 13-1-10-1 to -8

Maryland Statute

Md. Nat.Res.Code Sec. 1-301 to -305

Massachusetts Environmental Policy Act

Mass. Ann. Laws CH. 30 SECS 61-62 H
301 C.M.R. 11.00-12.00

Minnesota Environmental Quality Board

Minn.Stat.Secs. 116D.04; 116D.045
Minn. Rules 4410.0200

Montana Environmental Policy Act

New Jersey - Executive Order on Environmental Impact Assessment

EXEC.ORDER NO. 215 with regulations attached

New York State Environmental Quality Review Act

Art. 8 Environmental Conservation Law
6 NYCRR 617

North Carolina Statute

N.C. Gen.Stat.Sec. 113A-1 to -10

South Dakota Statute

S.D. LAWS Sec. 34A9-1 to -12

Virginia Environmental Code

V.A.C. 10.1 to 1200
Procedure Manual

Washington State Environmental Policy Act

R.C.W. 43.21 (c)
W.A.C. 197-11

Wisconsin Environmental Policy Act

Dept. of Natural Resources Chap. NR 1-50

HAZARD MITIGATION GRANT PROGRAM

Press Release

State emergency management agency has announced that, as a result of the recent presidential disaster declaration for type of hazard, federal funds are being made available through the Federal Emergency Management Agency's Hazard Mitigation Grant Program. The purpose of the program is to provide 50/50 matching funds to states, and through the states, to local communities and eligible private non-profit organizations, to fund mitigation measures following a major disaster declaration. The overall goal of the program is to effectively reduce a state or community's vulnerability to natural hazards. To be eligible, measures must meet specific criteria.

Name of state expects to receive \$ in Hazard Mitigation Grant Program funds. Proposed projects should address list FEMA criteria and/or state priorities designed to reduce the type risk to people and property in name of state. The Hazard Mitigation Grant Program can be used to fund projects to protect either public or private property. Examples of projects include structural hazard control measures and development of state or local standards to protect new and substantially improved structures from disaster damage.

A briefing(s) on the Hazard Mitigation Grant Program will be held on date, time at location. Eligible applicants include state and local government entities, private non-profit organizations, and Indian tribes. The briefing will provide an overview of the Hazard Mitigation Grant Program. Topics will include: eligibility requirements, project identification and selection, the application process, and technical assistance.

The briefings will be conducted by officials from the state emergency management agency and the Federal Emergency Management Agency. For additional information, please contact of the state emergency management agency at .

HAZARD MITIGATION GRANT PROGRAM

Agenda for Applicants Briefing

- I. Welcome
- II. Introduction
 - A. Purpose and Objectives of Meeting
 - B. Background and Disaster Recovery Activities
 - C. Explanation of Hazard Mitigation and the Hazard Mitigation Grant Program
- III. Status of State Hazard Mitigation Program
 - A. Administrative Plan
 - B. State Hazard Mitigation Plan
 - C. State Hazard Mitigation Team
- IV. Overview of the Hazard Mitigation Grant Program
 - A. Eligible Applicants
 - B. Project Eligibility
 - C. Project Identification
 - D. Project Selection
 - E. Available Funding
 - E. Technical Assistance
 - F. Project Management
- V. Hazard Mitigation Grant Program Application Process
 - A. Pre-Application
 - B. Application
 - C. Schedule
 - D. Instructions
- VI. Questions and Answers/Conclusion

HAZARD MITIGATION GRANT PROGRAM

Project Evaluation Score Sheet (Instruction Sheet)

Introduction

It is the responsibility of the state to identify and select those hazard mitigation projects which will be recommended to FEMA for final approval and funding under the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, P.L. 93-288, as amended.

Once projects have been determined to meet minimum state and Federal eligibility requirements, it may be necessary for the state to prioritize the eligible projects. Prioritization of projects is especially important when there are numerous projects competing for a limited amount of funds.

Instructions

The attached Project Evaluation Score Sheet has been designed to assist the state in the initial prioritization process of proposed Hazard Mitigation Grant Program projects. It is based upon the Project Evaluation System developed by the Washington Department of Community Development, Emergency Management Division. States may find this score sheet useful, or may find it necessary to revise or expand the score sheet to meet their needs. The score sheet is intended to group or prioritize eligible projects based on a range of accumulated points.

Each project should be evaluated against the list of objectives provided on the Project Evaluation Score Sheet by assigning a number from 0 to 3. Each project should be rated on how well it meets or exceeds each objective. A score of 3 is a high ranking, 2 is medium, and 1 is low. If a project does not meet an objective, that objective should be assigned a score of 0. Once points for each project have been tallied, projects should be prioritized into groups or phases.

HAZARD MITIGATION GRANT PROGRAM

**Project Evaluation Score Sheet
(Initial Screening for Project Prioritization)**

APPLICANT: _____

PROJECT TITLE: _____

Each objective below should be ranked by assigning a number from 0 to 3, corresponding to the following values:

HIGH (3)____ MEDIUM (2)____ LOW (1)____ DOES NOT MEET (0)____

I. SELECTION OF THE BEST ALTERNATIVE

Applicants must demonstrate, through a written narrative that describes each alternative considered, that the alternative chosen is the most practical, effective, and environmentally sound alternative among the possible solutions.

0-3 pts ____

II. MINIMUM FEDERAL CRITERIA

Please rate how the proposed project meets or exceeds each of the objectives below which relate to the Federal hazard mitigation criteria:

Does the project:

1. Demonstrate significant beneficial impact(s) on the declared disaster area (project may be located outside the disaster area)? 0-3 pts ____
2. Independently solve the stated problem, or constitute a functional portion of a solution where there is assurance that the project as a whole will be completed? 0-3 pts ____
3. Demonstrate substantial reduction of the risk of damage, hardship, loss and suffering that would result from a future disaster? 0-3 pts ____
4. Address a repetitive problem, or one that poses a significant risk if left unresolved? 0-3 pts ____
5. Contribute to the long-term solution of the problem? 0-3 pts ____

6. Demonstrate affordable operation and maintenance costs which the local jurisdiction is committed to support? 0-3 pts ____

III. POTENTIAL STATE GOALS AND OBJECTIVES

Please rate how the proposed project meets or exceeds each of the objectives below which relate to state hazard mitigation criteria:

Does the project:

1. Fit within the goals and objectives of the state Section 409 hazard mitigation plan? 0-3 pts ____
2. Protect lives and reduce public risk? 0-3 pts ____
3. Reduce the level of damage vulnerability in existing structures and developed property? 0-3 pts ____
4. Avoid inappropriate future development in areas that are vulnerable to the hazard(s)? (Has the jurisdiction demonstrated any steps to address this issue?) 0-3 pts ____
5. Show development and implementation of state or local comprehensive programs, standards, and regulations that reduce future damage? 0-3 pts ____
6. Provide a cooperative, inter-jurisdictional/interagency solution to the problem? 0-3 pts ____
7. Provide a long-term mitigation solution in locations that experience repetitive damage? 0-3 pts ____
8. Reduce the number of vulnerable structures through acquisition, relocation, or retrofitting? 0-3 pts ____
9. Address secondary damage issues such as landslides resulting from floods or urban fire? 0-3 pts ____
10. Protect or restore wetlands and floodplains? 0-3 pts ____
11. Restore or protect natural resources, recreational areas, open space, or other environmental values? 0-3 pts ____
12. Increase public awareness of the hazard(s), preventive measure(s), and emergency response(s) to the hazard(s)? 0-3 pts ____

610 FLOOD WARNING PROGRAM:

Credit is provided for a program which provides timely identification of impending flood threats, disseminates warnings to appropriate floodplain occupants, and coordinates flood response activities.

Background: With sufficient warning of a flood and a plan of action to minimize its impact, floodplain occupants can take protective measures such as moving furniture, cars and people out of harm's way. When a flood threat recognition system is combined with an emergency response plan designed for floods, a great deal of flood damage can often be prevented.

The National Weather Service issues flood warnings for specific locations along major rivers. A small, but growing number of communities have flood threat recognition systems that can provide advance notice of flooding on smaller rivers. Even fewer have effective plans for disseminating warnings and taking emergency response actions. Other flood damage reduction activities, such as retrofitting projects which require human intervention, need timely and accurate flood forecasts.

Activity Description: The community must be able to issue a flood warning at least one-half hour before floodwaters isolate buildings. National Weather Service review of the flood warning program is required. Annual testing of equipment and an annual drill are required unless the warning system was used for flood warning during the year. A report on the operation of the system is required if a flood occurred during the previous year.

A flood warning program has the following components:

1. A flood threat recognition system to perceive impending flooding;
2. A system to tell people that a flood is coming;
3. Regular maintenance and testing of equipment and practice drills; and
4. A public information program to advise people about the warning system and what to do when a flood comes.

For CRS credit, a community must demonstrate that all four components are implemented in accordance with the criteria listed in Sections 611 and 612. Credit is based on the amount of warning time provided to the public.

Credit is provided for preparing flood response plans to prevent or reduce damages from the impending flood. Annual drills must be made to test the emergency response plan and keep it updated.

While a community is not given additional credit points for operating its own data collection and/or analysis system, there

FLOOD PREPAREDNESS

is credit if locally collected data are kept and shared with others.

611 Credit Documentation:

The community must submit the following documentation with its application:

- a. A 5-10 page document that describes the community's flood warning program. The following must be covered:
 1. The flood hazard;
 2. The flood threat recognition system;
 3. Flood warning times;
 4. How the flood warnings are disseminated and to whom;
 5. Equipment that is needed to operate the program and when and how it is maintained and tested. Equipment must be tested at least annually;
 6. Procedures for conducting drills at least annually which involve organizations such as radio stations and other emergency response agencies; and
 7. Staff responsibilities.

If a flood response plan has been developed, this documentation may already be in the documentation for item 611e. If so, the margins must be marked to show where the seven items listed above are discussed. Otherwise, the community must submit a short description of its community's program showing how the seven items are addressed.

1. The flood hazard should be shown on a map of the community which shows the stream(s) (and other bodies of water) covered by the flood warning system. There should also be a discussion of the nature of the flood hazard. See Section 612c.
2. The flood threat recognition system may be in the form of flood forecasts provided by the National Weather Service, a locally operated ALERT system, or other appropriate flood recognition system. Which agency provides the flood notice to the community is irrelevant. What counts is that the system will provide a flood warning at least one-half hour before floodwaters isolate insurable buildings.
3. For this activity, there must be at least one-half hour from the time a warning is issued to the time water isolates an insurable building.

"Isolate" means that there is no dry land access to the building. The standard is used to provide credit based on when people and contents can be evacuated. One of the best ways to determine when buildings are isolated is to prepare

FLOOD PREPAREDNESS

a flood stage forecast map which shows what areas of the community are inundated at various flood levels. A flood warning time is calculated for each flood level.

If a property owner can demonstrate that contents can be protected by a method other than evacuation, the building is not considered isolated. This would be checked during the verification visit by reviewing a flood response plan for the building. If the community has one or two buildings close to the water that are isolated long before the rest, this formula encourages flood response plans for those buildings in order to increase the creditable warning time.

4. The warning program must include a system to disseminate the flood warning to floodplain residents. Warnings for the general public should be disseminated through as many media as possible, including sirens, radio, television and, if time allows, newspapers and telephone calling trees. Areas slated for evacuation should be clearly identified and explicit directions to occupants of those areas should be included.
5. Annual testing of the emergency response plans and warning dissemination system is critical to effective emergency operation.
6. At least once each year the system must be tested, those involved must participate in annual drills, and the public must be informed of the warning signals and what to do when a warning is issued. Annual drills identify where procedures need to be changed or updated.
7. Each agency and person needs to be aware of their responsibilities during an actual emergency and the lead agency for flood warning needs to know that all of the communications systems will work when needed.

- | |
|--|
| <ol style="list-style-type: none">b. Documentation that the program has been formally adopted by the community's governing board.c. Comments on the community's program from appropriate agencies. At a minimum, comments must be submitted from the National Weather Service. Other agencies could include the U.S. Army Corps of Engineers and the state's emergency management agency. |
|--|

Comments from such agencies should include a discussion of the flood threat recognition system (regardless of who operates it), the warning dissemination system, and the response plan, if one is available. If the appropriate agencies are unable to comment on the community's program, copies of letters requesting the review are sufficient for this documentation.

FLOOD PREPAREDNESS

- d. Application for credit under Activity 330 - Outreach Projects. The community's outreach project to the community (OPC) or to floodplain residents (OPF) shall be conducted at least annually and must include a description of the flood warning procedures and appropriate response measures that people should take (e.g., evacuation routes and flood safety considerations). The outreach project must be creditable under at least the "flood warning" and "flood safety" topics in Activity 330.

Education of floodplain residents is especially important in flood warning. Such a project can give specific information to the people who need it most on how to prepare for and respond to a flood. See the sample notice, Figure 330-3. Outreach projects for the community's flood warning system should be timed, if possible, to have maximum impact just before the most probable time of flooding. This might be prior to the spring thaw, summer thunderstorm, or fall hurricane season.

The community must have the following documentation available to verify implementation of this activity:

- e. [Required if the community is applying for credit under Section 612c]
The flood response plan.

While a warning of a flood will lead to reduced flood damages, a workable flood response plan can do much more. Under the best of circumstances, a community has great difficulty responding to a major flood. The public demands normal operation of many community activities and the staff of various agencies may have their own ideas of what they should be doing. A detailed response plan can overcome most of these problems.

Many communities have prepared multi-hazard emergency response plans or comprehensive emergency management plans. Generally these are not specific enough to qualify for CRS credit. To receive credit, a flood response plan must specifically relate to the flood hazard and identify response activities appropriate for successive flood levels. Other items to be included are noted under the credit criteria in Section 612c.

- f. [Required if the community is applying for credit under Section 612d]
Documentation that the locally operated data collection system is maintained and calibrated to provide reliable and accurate data and that the data collected are available for use by others.

This may be a certification by the community or it may be a letter from another that is using the data. Letters may come from several different agencies, e.g. the National Weather Service or state climatologist for rainfall data and the U.S. Geological Survey, U.S. Army Corps of Engineers, or state water resources department for stream gages.

FLOOD PREPAREDNESS

The community must submit the following documentation with its annual CRS recertification (see Section 214):

- g. An evaluation report that describes the performance of the warning program. The report must cover any floods that occurred during the previous year which damaged more than ten buildings, caused more than \$50,000 in property damage, or caused the death of one or more persons. It must describe how the program operated in response to the floods and any improvements that may be needed.

If there has been a flood that meets the above criteria, submission of the report with the annual recertification is necessary for continued credit under this activity. The report should include a discussion of the:

- Storm and resulting flood;
- Operation of the flood threat recognition system;
- Dissemination of warnings and public response;
- Community response activities, such as evacuation or flood fighting;
- Flood's impact on lives, public health and safety, and property;
- Damages prevented by the flood warning system; and
- Lessons learned and changes needed in the warning program.

Example: "As a result of a forecast of a flood crest within 24 hours on Big River, the City of Riverview, the State Department of Transportation and floodplain residents removed ten mobile homes which would have otherwise been flooded to a depth of two feet. It is estimated that this action reduced damages by \$150,000.

"Other residents removed or otherwise protected contents in most of the buildings. At a conservative estimate of \$2,000 per structure, this is estimated to have prevented \$150,000 in damages. As a direct result of the flood warning that was issued, all but five inoperable vehicles were removed from the flooded area, reducing damages by an unknown amount."

If the preparation of the post-flood evaluation report determines shortcomings in the flood warning system or failures in its operation, the report must identify remedial actions which should be taken to improve its future operation.

Example: The flood warning system for Big River does not include the possible impact of ice jam flooding. As a result, forecast flood elevations were three feet lower than the actual flood event. The City of Riverview is working with the National Weather Service, the U. S. Army Corps of Engineers and the State University to improve its ability to monitor ice and provide warning of ice jams.

APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION: Application <input checked="" type="checkbox"/> Construction <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction <input type="checkbox"/> Non-Construction		2. DATE SUBMITTED 1/20/91	Applicant Identifier																					
		3. DATE RECEIVED BY STATE	State Application Identifier																					
		4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier																					
5. APPLICANT INFORMATION																								
Legal Name: City of Carolina		Organizational Unit: Municipality																						
Address (give city, county, state, and zip code): City of Carolina, South County 1313 Mockingbird Lane, Suite 20 Carolina, SC 29696		Name and telephone number of the person to be contacted on matters involving this application (give area code): Mr. John Doe (803) 123-4567																						
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 29 - 4567890		7. TYPE OF APPLICANT: (enter appropriate letter in box) <input checked="" type="checkbox"/> <ul style="list-style-type: none"> A. State B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special District H. Independent School Dist. I. State Controlled Institution of Higher Learning J. Private University K. Indian Tribe L. Individual M. Profit Organization N. Other (Specify): _____ 																						
8. TYPE OF APPLICATION: <input type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es): <input type="checkbox"/> <input type="checkbox"/> A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration Other (specify): _____		9. NAME OF FEDERAL AGENCY: FEMA																						
10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 8 3 5 1 6 TITLE:		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Stormwater Pump Station and Drainage System																						
12. AREAS AFFECTED BY PROJECT (cities, counties, states, etc.): City of Carolina, Calhoun District South County, South Carolina																								
13. PROPOSED PROJECT: Start Date: 6-91 Ending Date: 1-93		14. CONGRESSIONAL DISTRICTS OF: a. Applicant b. Project																						
15. ESTIMATED FUNDING: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td>a. Federal</td> <td>\$ 1,797,305</td> <td>.00</td> </tr> <tr> <td>b. Applicant</td> <td>\$ 1,697,305</td> <td>.00</td> </tr> <tr> <td>c. State</td> <td>\$</td> <td>.00</td> </tr> <tr> <td>d. Local</td> <td>\$</td> <td>.00</td> </tr> <tr> <td>e. Other</td> <td>\$ 100,000</td> <td>.00</td> </tr> <tr> <td>f. Program Income</td> <td>\$</td> <td>.00</td> </tr> <tr> <td>g TOTAL</td> <td>\$ 3,594,610</td> <td>.00</td> </tr> </table>		a. Federal	\$ 1,797,305	.00	b. Applicant	\$ 1,697,305	.00	c. State	\$.00	d. Local	\$.00	e. Other	\$ 100,000	.00	f. Program Income	\$.00	g TOTAL	\$ 3,594,610	.00	16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS? a. YES. THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON: DATE _____ b. NO. <input type="checkbox"/> PROGRAM IS NOT COVERED BY E.O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW	
a. Federal	\$ 1,797,305	.00																						
b. Applicant	\$ 1,697,305	.00																						
c. State	\$.00																						
d. Local	\$.00																						
e. Other	\$ 100,000	.00																						
f. Program Income	\$.00																						
g TOTAL	\$ 3,594,610	.00																						
		17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes," attach an explanation. <input type="checkbox"/> No																						
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED																								
a. Typed Name of Authorized Representative: John B. Doe		b. Title: Administrator	c. Telephone number: 123-4567																					
d. Signature of Authorized Representative: <i>John B. Doe</i>		e. Date Signed: 1/20/91																						

Previous Editions Not Usable

Standard Form 424 REV 1-80 Prescribed by OMB Circular 57

Authorized for Local Reproduction

INSTRUCTIONS FOR THE SF 424

This is a standard form used by applicants as a required facesheet for preapplications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to Executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

- | Item: | Entry: | Item: | Entry: |
|-------|--|-------|--|
| 1. | Self-explanatory. | 12. | List only the largest political entities affected (e.g., State, counties, cities). |
| 2. | Date application submitted to Federal agency (or State if applicable) & applicant's control number (if applicable). | 13. | Self-explanatory. |
| 3. | State use only (if applicable). | 14. | List the applicant's Congressional District and any District(s) affected by the program or project. |
| 4. | If this application is to continue or revise an existing award, enter present Federal identifier number. If for a new project, leave blank. | 15. | Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate <u>only</u> the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15. |
| 5. | Legal name of applicant, name of primary organizational unit which will undertake the assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application. | 16. | Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process. |
| 6. | Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service. | 17. | This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes. |
| 7. | Enter the appropriate letter in the space provided. | 18. | To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.) |
| 8. | Check appropriate box and enter appropriate letter(s) in the space(s) provided:
— "New" means a new assistance award.
— "Continuation" means an extension for an additional funding/budget period for a project with a projected completion date.
— "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation. | | |
| 9. | Name of Federal agency from which assistance is being requested with this application. | | |
| 10. | Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested. | | |
| 11. | Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For preapplications, use a separate sheet to provide a summary description of this project. | | |

ASSURANCES — CONSTRUCTION PROGRAMS

Note: Certain of these assurances may not be applicable to your project or program, If you have questions, please contact the Awarding Agency. Further, certain federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure nondiscrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§ 4728-4763) relating to prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683, and 1685-1686) which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794) which prohibit discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101-6107) which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 93-255), as amended, relating to non-discrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to non-discrimination in the sale, rental or financing of housing; (i) any other non-discrimination provisions in the specific statute(s) under which application for Federal assistance is being made, and (j) the requirements on any other non-discrimination Statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. § 874), the Contract Work Hours and Safety Standards Act (40 U.S. §§ 327-333) regarding labor standards for federally assisted construction subagreements.
14. Will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§ 1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. § 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§ 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and preservation of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act of 1984.
19. Will comply with all applicable requirements of all other Federal laws, Executive Orders, regulations and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL <i>John B. Doe</i>	TITLE Administrator
APPLICANT ORGANIZATION City of Carolina	DATE SUBMITTED 1/20/91

HAZARD MITIGATION GRANT PROGRAM

**Project Application Checklist
Instruction Sheet**

(This is not an application.)

Attached is a checklist of information required to process a Hazard Mitigation Grant Program project application. The information is listed in a sequence that may be useful to follow in the development and design of a project application. Application procedures are found at 44 CFR 206.436, and explained in detail in Chapter 7 of the Hazard Mitigation Grant Program Handbook.

Please note that prior to submission of a formal project application, the applicant should submit to the state a **pre-application** that identifies the name of the applicant, the point of contact, the location and brief description of the project, and the project's cost share. The submission of a pre-application is important to determine the initial eligibility of a project without completing the entire project application process.

This checklist is provided to help ensure that project applications are as complete as possible. It should be attached to the front of the project application to indicate that all necessary elements have been addressed or provided. A complete application will expedite the review process. An **incomplete** application will cause **delays** in the determination of a project's eligibility and, consequently, its funding.

Please ensure that the project application contains the required information outlined on the following pages. The blank space to the left of each item is to indicate that the information has been provided in the project application. If a checklist item (e.g., code compliances) is not applicable to the project, specify this by writing "N/A" in the blank provided.

HAZARD MITIGATION GRANT PROGRAM

Project Application Checklist

(This is not an application.)

Project Title

(Indicate here the project title to ensure that the correct project application is attached.)

I. OVERALL PROJECT INFORMATION

- A. Specify project title.
- B. Indicate date application submitted.
- C. Indicate declaration number: FEMA ___ DR- ___.
- D. Specify whether or not application is an initial submission.
- E. Specify whether information is supplemental or revised.
- F. Indicate FIPS code. (The Federal Information Processing Standards code is an identification number used to identify applicants for the Public Assistance portion of the Federal Disaster Assistance Program under PL 93-288. If you do not know this number, consult your State Hazard Mitigation Officer.)

II. APPLICANT INFORMATION

- A. Identify name of organization/agency.
- B. Identify type of organization. (Specify if the applicant is a state agency, county or city government, Indian tribe, private non-profit, or other [explain "other"] organization or agency.)
- C. Identify point of contact (name, title, business address, business phone).
- D. Identify alternate point of contact (name, title, business address, business phone).

III. PROJECT LOCATION

- A. Include address. (Describe by street address [city and county], road intersections, geographic landmarks, legal description, or other method as appropriate.)
- B. Provide maps or diagrams of the project location and its boundaries. Specify on the maps the detailed location by road or street.

IV. DETAILED DESCRIPTION OF THE PROPOSED PROJECT

- ___ A. Provide detailed description of the proposed project including appropriate maps and diagrams.
- ___ B. Describe the problem(s) the proposed project is intended to solve. Specify whether the proposed project addresses a recurrent or repetitive problem. Specify if the proposed project merely identifies or analyzes the hazard(s) or problem(s).
- ___ C. Explain whether the proposed project solves the problem(s) independently or in conjunction with other solutions. (If with other solutions, specify whether the project as a whole will be completed.)
- ___ D. Explain how the proposed project reduces hazard effects and risks.
- ___ E. Describe the damage caused by the current disaster or previous disaster, and/or the potential for future damage based on the area's exposure to hazards.
- ___ F. Specify the number of people and/or the amount of property that will be protected with the proposed project.

V. COST ESTIMATE

- ___ A. Specify cost breakdown by federal share, state share, applicant share, other non-federal, and the total funds required to complete the project.
- ___ B. Provide cost breakdown of the project's budget.
 - ___ 1. Provide breakdown of all cost elements (project management, engineering and design, site acquisition, labor, materials and supplies, equipment, staffing, transportation, etc.).
 - ___ 2. Provide breakdown by source of all public and private financial contributions toward project's completion.

VI. COST-EFFECTIVENESS OF THE PROPOSED PROJECT

(Demonstrate that the proposed project will not cost more than the value of the benefits, i.e., cost to benefit ratio. Discuss value of benefits in terms of the reduction of direct damages and subsequent negative impacts to the area if future disasters were to occur.)

- ___ A. Indicate the cost, and explain the useful life of the proposed project. (Specify whether benefits are permanent or long-term as opposed to temporary or short-term.)

- B. Indicate the frequency of the disaster event.
- C. Provide an estimate of the dollar amount of damage that would be prevented as a direct result of the proposed project. Provide reasonable justification to support this estimate.
- D. Provide an estimate of the subsequent negative impacts to the area if the measure were not implemented.

VII. PROJECT WORK SCHEDULE

- A. Indicate major milestones. (Attach table, chart, or graph depicting work schedule by major milestones [activities/measures] from the initiation of the project to its completion. Explain the start dates and the completion dates selected. Use established milestones in submitting quarterly progress reports.)
- B. Indicate the maintenance schedule to be performed by the applicant throughout the life of the project.

VIII. DISCUSSION OF ALTERNATIVES

- A. Discuss a range of different mitigation alternatives as solutions, such as elevation of structures, adoption of codes and ordinances to protect future development, wet and dry floodproofing, acquisition of flood-damaged properties, etc.
- B. Justify why the proposed project was selected over the alternatives.

IX. ENVIRONMENTAL INFORMATION

- A. Provide information on environmental effects of the proposed project (see Appendix E of the Hazard Mitigation Grant Program Handbook for guidance).
- B. Complete state and local environmental requirements.
- C. Initiate application process for necessary environmental permits or approvals (such as U.S. Army Corps of Engineers' Clean Water Act permit, approval from State Historic Preservation Office, permit for removal of vegetation, etc.).
- D. Complete the Reconnaissance/Review Report for Floodplain Management. (This form satisfies the requirements of Executive Orders 11988 and 11990 and complies with the eight-step decision making process.)

X. PROJECT COMPLIANCE ASSURANCES

___ **A. Code Compliance**

- ___ 1. Specify if the project will meet all applicable codes and standards for the project locale, i.e., construction, public notifications, etc. List type and date of codes, if applicable.
- ___ 2. Explain if and why the project requires an exemption or variance from one or more codes.

___ **B. Location**

- ___ 1. Specify that the project is located in the designated disaster area; or,
- ___ 2. Specify that the project is **not** in the designated disaster area but explain that the project will have a direct beneficial impact upon the area.

___ **C. National Flood Insurance Program (NFIP)**

- ___ 1. Specify whether the community in which the project is located is a participant in the NFIP. If so, is the community a participant in good standing.
- ___ 2. Specify whether the proposed project is located in a floodplain or floodway designated on a FEMA Flood Insurance Rate Map (FIRM). If so, identify the FIRM Panel Number, Zone Designation, and the NFIP Community ID Number.

___ **D. Local Approval**

- ___ 1. Specify the amount of funds available for the project.
- ___ 2. Specify any local commitment (funds or other resources) available for the project.
- ___ 3. Specify if and how the applicant will maintain the project over the expected life of the project, if applicable.

HAZARD MITIGATION GRANT PROGRAM**State-Local Disaster Assistance Agreement**

This agreement between the _____ State of (name) _____ (the State) and _____ (the Applicant) shall be effective on the date signed by the State and the Applicant. It shall apply to all assistance funds provided by or through the State to the Applicant as a result of a presidentially declared disaster occurring within _____ State of (name) _____.

The designated representative of the Applicant certifies that:

1. He/She has legal authority to apply for assistance on behalf of the Applicant.
2. The Applicant will provide all necessary financial and managerial resources to meet the terms and conditions of receiving Federal and state disaster assistance.
3. The Applicant will use disaster assistance funds solely for the purposes for which these funds are provided and as approved by the Governor's Authorized Representative.
4. The Applicant is aware that limited funding available for mitigation requires cost-sharing on the basis of 50 percent Federal and 50 percent non-Federal contributions and that the Applicant may be required to provide the full non-Federal share for such mitigation activities.
5. The Applicant will establish and maintain a proper accounting system to record expenditures of disaster assistance funds in accordance with generally accepted accounting standards or as directed by the Governor's Authorized Representative.
6. The local cost share funding will be available within the specified time.
7. The Applicant will give state and Federal agencies designated by the Governor's Authorized Representative access to and the right to examine all records and documents related to use of disaster assistance funds.
8. The Applicant will return to the State, within 15 days of such request by the Governor's Authorized Representative, any advance funds which are not supported by audit or other Federal or state review of documentation maintained by the Applicant.
9. The Applicant will comply with all applicable codes and standards as pertains to this project and agrees to provide maintenance as appropriate.
10. The Applicant will comply with all applicable provisions of Federal and state law and regulation in regard to procurement of goods and services.

11. The Applicant will begin project work within 90 days of approval of the grant and complete all items of work within one year unless an exception is granted to extend the time frame.
12. The Applicant will comply with all Federal and state statutes and regulations relating to non-discrimination.
13. The Applicant will comply with provisions of the Hatch Act limiting the political activities of public employees.
14. The Applicant will comply, as applicable, with provisions of the Davis-Bacon Act relating to labor standards.
15. The Applicant will comply with the National Flood Insurance Program purchase requirements.
16. The Applicant will not enter into cost-plus-percentage-of-cost contracts for completion of Hazard Mitigation Grant projects.
17. The Applicant will not enter into contracts for which payment is contingent upon receipt of state or Federal funds.
18. The Applicant will not enter into any contract with any party which is debarred or suspended from participating in Federal assistance programs.

Signed for the Applicant:

Name (Typed)

Title

Signature

Date

Signed for the State:

Governor's Authorized Representative
(Typed)

Signature

Date