

APPENDIX E – HAZARD MITIGATION ASSISTANCE PROGRAMS

NOTE: By the end of FY 2007, FEMA will offer five hazard mitigation assistance programs as described below. All five programs have unique statutory authorities, program requirements, and triggers for funding. All of the programs have the common goal of providing funds to States, Territories, Tribal governments, and communities to reduce the loss of life and property from future natural hazard events. These programs as described below are subject to revision. Check with the FEMA Regional Office for the latest information (<http://www.fema.gov/about/contact/regions/>).

NOTE: The mitigation reconstruction project entails demolishing the floodprone house and then reconstructing a new elevated, code-compliant house on the same site. These projects are most often justified through application of the following criteria:

- When the cost of a standard elevation or acquisition project approximates or exceeds the cost to construct a new structure, or
- When a standard elevation or acquisition project is not possible or feasible due to the condition of the structure or some other structural impairment.



CAUTION

If a mitigation reconstruction method is selected, FEMA grant program funding may not be available. In instances where traditional mitigation options are not programmatically feasible, check with the State Hazard Mitigation Officer to determine if funding may be available for the mitigation measure selected before proceeding.

E.1 Hazard Mitigation Grant Program

The Hazard Mitigation Grant Program (HMGP) was created in 1988 by Section 404 of the Robert S. Stafford Disaster Relief and Emergency Assistance Act, as amended (amendments include the Hazard Mitigation and Relocation Assistance Act of 1993, the Disaster Mitigation Act of 2000, and the Post Katrina Emergency Management Reform Act of 2006). The HMGP assists States, Territories, Tribal governments, and communities in implementing long-term hazard mitigation measures for all hazard types following a major disaster declaration. A key purpose of the HMGP is to ensure that the opportunity to take critical mitigation measures to protect life and property from future disasters is not lost during the recovery and reconstruction process following a disaster.

The program's objectives are to:

- Significantly reduce or permanently eliminate future risk to lives and property from severe hazards
- Provide funds to implement projects previously identified in State, Tribal, or local hazard mitigation plans

- Enable mitigation measures to be implemented during the immediate recovery from a disaster

HMGP funds can be made available based on a percentage of the estimated Federal funds to be spent on the Public and Individual Assistance programs (minus administrative expenses) for each disaster. These grant funds may be used to fund up to 75 percent of the eligible project costs. The non-Federal match does not need to be in cash; in-kind services or materials may be used.

Eligible mitigation measures under the HMGP include acquisition or relocation of floodprone structures, elevation of floodprone structures, seismic rehabilitation of existing structures, constructing “safe rooms” inside schools or other buildings in tornado-prone areas, and strengthening of existing structures against hurricane force winds. Additionally, up to 7 percent of HMGP funds, available from any disaster, may be used to develop State and/or local mitigation plans.

The State, as grantee, is responsible for administering the HMGP. Communities develop HMGP project applications and apply for funds through the State. The State notifies potential applicants of the availability of funding, defines a project selection process, ranks and prioritizes projects for funding, and forwards projects to FEMA for approval. The applicant, or subgrantee, carries out approved projects. The State, local government, or the property owner must provide a 25 percent match, which can be from a combination of cash and in-kind sources.

In response to flood hazards, FEMA’s primary emphasis is on nonstructural hazard mitigation measures. Nonstructural measures include the acquisition and demolition, relocation, elevation, and floodproofing of flood-damaged or floodprone properties.

For more information on the HMGP, contact the State Hazard Mitigation Office or the FEMA Regional Office. Detailed information about managing the program can be found in FEMA’s *HMGP Desk Reference* (FEMA 345) at <http://www.fema.gov/government/grant/hmgp/index.shtm>. To order a copy, call 1-(800)480-2520.

E.2 Flood Mitigation Assistance Program

The Flood Mitigation Assistance (FMA) program provides funding to assist States and communities to accomplish flood mitigation planning and implement measures to reduce future flood damages to structures insured under the National Flood Insurance Program (NFIP). This program was created as part of the National Flood Insurance Reform Act of 1994 (42 United States Code [USC] 4101).

The FMA program provides annual funding for planning and project grants. Eligible activities for planning grants include conducting local planning meeting to obtain citizen input; contracting for engineering or planning technical assistance; surveying structures at risk of flooding; and assessing repetitive losses. Only projects for mitigation activities specified in an approved flood mitigation plan are eligible for project grants. For example, a community may determine in its plan that acquisition of structures would be the preferred alternative for floodway areas, while elevation may be a more appropriate solution in other areas of the floodplain.

The purpose of FMA project grants is to assist States and communities in implementing flood mitigation projects to reduce the risk of flood damage to NFIP-insured structures. Eligible types of projects include:

- Elevation of residential structures and elevation or dry floodproofing of non-residential structures in accordance with 44 Code of Federal Regulations (CFR) §60.3.
- Acquisition of structures and underlying real property.
- Relocation of structures from acquired or deed restricted real property to sites not prone to flood hazards.
- Dry floodproofing of non-residential structures.
- Demolition of structures on acquired or deed restricted real property.
- Beach nourishment activities that focus on facilitating natural dune replenishment through the planting of native dune vegetation and/or the installation of sand fencing. Placement of sand on beach is not eligible.
- Minor physical flood control projects that do not duplicate the flood-prevention activities of other Federal agencies that address localized flood problem areas such as stabilization of stream banks, modification of existing culverts, or creation of small stormwater retention basins. Major structural flood control structures, such as levees, dams, and seawalls are not eligible.

Any State agency, participating NFIP community (including tribal governments), or qualified local organization is eligible to participate in the FMA program. Communities that are suspended or on probation from the NFIP are not eligible. Individuals wishing to participate in the FMA program should contact their community officials.

A project must, at a minimum, be:

- Cost-effective
- Cost beneficial to the NFIP
- Technically feasible
- Physically located in a participating NFIP community, or must reduce future flood damages in an NFIP community

A project must also conform to:

- The minimum standards of the NFIP floodplain management regulations
- The applicant's flood mitigation plan
- All applicable laws and regulations, such as Federal and State environmental standards or local building codes

FEMA distributes funds to States, which in turn provide funds to communities. The State serves as the grantee and program administrator for the FMA. The State:

- Sets mitigation priorities
- Provides technical assistance to communities applying for FMA funds

- Evaluates grant applications based on minimum eligibility criteria and State priorities
- Awards planning grants
- Works with FEMA to approve projects and awards funds to communities
- Ensures that all community applicants are aware of their grant management responsibilities

For more information on how to apply for a FMA grant, contact the State FMA Point of Contact (POC) or call the nearest FEMA Regional Office for the name of the State's POC. A list of FEMA Regional Offices and contact information are included in Appendix F and are available from <http://www.fema.gov/about/contact/regions/>. Additional information on the FMA program may be found at the FEMA website at <http://www.fema.gov/government/grant/fma/index.shtm>.

E.3 Pre-Disaster Mitigation Program

The Pre-Disaster Mitigation (PDM) program was authorized by Section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act), 42 U.S.C., as amended by Section 102 of the Disaster Mitigation Act of 2000 (DMA 2000).

Funding is provided to assist States, Tribes, and communities in implementing cost-effective hazard mitigation activities that complement a comprehensive mitigation program and reduce injuries, loss of life, damage, and destruction of property. FEMA provides PDM grants to states which, in turn, provide sub-grants to local governments for mitigation activities such as planning and the implementation of projects identified through the evaluation of natural hazards.

Only the State emergency management agencies or a similar office (i.e., the office that has emergency management responsibility) of the State as well as federally recognized Indian tribal governments are eligible to apply to FEMA for assistance as applicants under this program.

Guidance materials for all Hazard Mitigation Assistance programs such as model scopes of work, Benefit/Cost Analysis Guidelines, and engineering case studies are currently available on the FEMA webpage at <http://www.fema.gov/government/grant/pdm/index.shtm> or from the FEMA Regional Office.

E.4 Repetitive Flood Claims Program

The Repetitive Flood Claims (RFC) grant program provides funding to reduce or eliminate the long-term risk of flood damage to structures insured under the NFIP that have had one or more claim payments for flood damages, through mitigation activities that are in the best interest of the National Flood Insurance Fund (NFIF). RFC funds may only mitigate structures that are located within a State or community that can not meet the requirements of the FMA program for either cost share or capacity to manage the activities.

The RFC program was authorized by Section 1323 of the Act, 42 U.S.C. 4030, as amended by the Flood Insurance Reform Act (FIRA) of 2004, Public Law 108-264.

The RFC program provides funding up to \$10 million a year with up to 100 percent Federal funding (no non-Federal match requirement). Current eligible activities include the acquisition of severe repetitive loss (SRL) properties and non-residential properties that meet the same claim

thresholds as defined SRL properties. Planning grants are not available under the RFC. There is currently no local plan requirement for participation.

A project must, at a minimum, be:

- Cost-effective
- Cost beneficial to the NFIP
- Technically feasible
- Physically located in a participating NFIP community
- Insured under the NFIP

A project must also conform to:

- The minimum standards of the NFIP floodplain management regulations
- All applicable laws and regulations, such as Federal and State environmental standards or local building codes

Any State agency, participating NFIP community (including Tribal governments), or qualified local organization is eligible to participate in the RFC program. Communities that are suspended or on probation from the NFIP are not eligible. Individuals wishing to participate in the RFC program should contact their community officials. Only those States or communities that can not meet the requirements of the FMA program for either cost share or capacity to manage the activities are eligible to apply under the RFC program.

Guidance materials and application forms, such as grant administrative forms, project sub-applications, and management costs sub-applications (for Grantees), are available at any FEMA Regional Office or on the FEMA web page:

<http://www.fema.gov/government/grant/rfc/index.shtm>.

E.5 Severe Repetitive Loss Program

The Severe Repetitive Loss (SRL) program provides funding to reduce or eliminate the long-term risk of flood damage to severe repetitive loss properties and the associated drain on the NFIP from such properties. See Appendix I – Glossary, for a definition of SRL properties.

The SRL program was authorized by Section 1361A of the Act, 42 U.S.C. 4102a, as amended by the Flood Insurance Reform Act (FIRA) of 2004, Public Law 108-264.

FEMA is currently developing regulations for the SRL program. The FEMA web page <http://www.fema.gov/government/grant/srl/index.shtm> will be updated with information on the availability of funds, application periods, and other program requirements periodically.

The SRL program currently provides funding up to \$40 million annually until 2009 with 75 percent Federal funding (minimum 25 percent non-Federal match requirement). A reduced match (10 percent non-Federal funding) is allowed for States with approved State mitigation plans meeting the hazard mitigation planning requirements under Section 322 of the Robert T. Stafford

Disaster Relief and Emergency Assistance Act (42 USC 5165) that specifies how the State reduces the number of severe repetitive loss properties.

Allocations to eligible applicants (States, Territories, and Tribal governments) will be based on the number of severe repetitive loss properties in each State or Territory. A set-aside amount of 10 percent is reserved for communities that receive little or no assistance under the allocation formula.

Current eligible activities include:

- Acquisition, structure demolition, or structure relocation with the property deed restricted for open space uses in perpetuity
- Elevation of structures
- Floodproofing of structures
- Minor physical localized flood control projects
- Mitigation and reconstruction

E.6 Additional Information

- Contact information for State Emergency Management Directors through the National Emergency Management Agency, http://www.nemaweb.org/State_Contacts/index.cfm
- Contact information for State Hazard Mitigation Officers through the State Offices and Agencies of Emergency Management, <http://www.fema.gov/about/contact/statedr.shtm>
- Public Assistance (PA) Program, <http://www.fema.gov/government/grant/pa/index.shtm>

The objective of FEMA’s PA Grant Program is to provide assistance to States, local governments, and certain non-profit organizations to alleviate suffering and hardship resulting from major disasters or emergencies declared by the President.

Through the PA Program, FEMA provides supplemental Federal disaster grant assistance for the repair, replacement, or restoration of disaster-damaged, publicly owned facilities and the facilities of certain Private Non-Profit (PNP) organizations.

The Federal share of assistance is not less than 75 percent of the eligible cost for emergency measures and permanent restoration. The grantee (usually the State) determines how the non-Federal share (up to 25 percent) is split with the subgrantees (eligible applicants).

- Individual Assistance Programs, http://www.fema.gov/media/fact_sheets/individual-assistance.shtm

When the President declares a disaster and authorizes providing Individual Assistance, FEMA's Individuals and Households Program (IHP) can help homeowners and renters affected by the disaster with housing needs and necessary expenses.

To be considered for IHP housing assistance, the affected home must be the individual's primary residence and it must be located in the disaster area designated for Individual Assistance. To be

considered for IHP assistance for necessary expenses or serious needs, the loss must have occurred in the disaster area designated for Individual Assistance. An individual or a pre-disaster member of the household must be a United States citizen, a non-citizen national, or a qualified alien.

When a disaster is declared and Individual Assistance is authorized, affected individuals are directed to register with FEMA and to make sure that the information they provide is complete and correct.

Disaster assistance is money or direct assistance to individuals, families, and businesses in an area whose property has been damaged or destroyed and whose losses are not covered by insurance. It is meant to help you with critical expenses that cannot be covered in other ways. This assistance is not intended to restore your damaged property to its condition before the disaster.

While some housing assistance funds are available through FEMA's IHP, most disaster assistance from the Federal Government is in the form of loans administered by the Small Business Administration (SBA).

E.7 Housing Needs

- **Temporary Housing** (a place to live for a limited period of time). Money is available to rent a different place to live, or a government provided housing unit when rental properties are not available.
- **Repair.** Money is available to homeowners to repair damage from the disaster to their primary residence that is not covered by insurance. The goal is to make the damaged home safe, sanitary, and functional.
- **Replacement.** Money is available to homeowners to replace their home destroyed in the disaster that is not covered by insurance. The goal is to help the homeowner with the cost of replacing his or her destroyed home.
- **Permanent Housing Construction.** Direct assistance or money for the construction of a home. This type of help only occurs in insular areas or remote locations specified by FEMA, where no other type of housing assistance is possible.

Money is available for necessary expenses and serious needs caused by the disaster. This includes:

- Disaster-related medical and dental costs.
- Disaster-related funeral and burial costs.
- Clothing; household items (room furnishings, appliances); tools (specialized or protective clothing and equipment) required for your job; necessary educational materials (computers, school books, supplies).
- Fuels for primary heat source (heating oil, gas, firewood).
- Clean-up items (wet/dry vacuum, air purifier, and dehumidifier).
- Disaster damaged vehicle.
- Moving and storage expenses related to the disaster (moving and storing property to avoid additional disaster damage while disaster-related repairs are being made to the home).
- Other necessary expenses or serious needs as determined by FEMA.
- Other expenses that are authorized by law.

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- Other necessary expenses or serious needs as determined by FEMA.
- Other expenses that are authorized by law.
- U.S. Small Business Administration (SBA), <http://www.sba.gov>
http://www.fema.gov/assistance/process/sba_assistance.shtm

The SBA was created in 1953 as an independent agency of the Federal Government to aid, counsel, assist and protect the interests of small business concerns; preserve free competitive enterprise; and maintain and strengthen the overall economy of our nation.

The SBA provides various types of loans for businesses of all sizes and homeowners and renters in the event of a disaster. This includes physical disaster loans, economic injury loans, military reservists' loans, and home and personal property loans. These loans help people recover from disasters and rebuild their lives by providing affordable, timely, and accessible financial assistance to homeowners, renters, and businesses.