Acquisition and Demolition: Instructions

*The following information is intended for guidance only and is not a request for information. The following template is only intended to help the reader understand the FEMA Hazard Mitigation Grant Program (HMGP) application process.

This document provides instructions on how to complete the application for an acquisition/demolition project under FEMA’s Hazard Mitigation Grant Program (HMGP). This application can be used for projects that involve the voluntary acquisition of an existing flood-prone structure and the conversion of the acquired land to open space following structure demolition.

The user can provide the requested information by adding text or comments to the form, or by including the information in a separate document with their subapplication. Additional technical guidance is provided in the attached Acquisition and Demolition Technical Review Job Aid (Job Aid) and the Environmental and Historic Preservation Acquisition-Demolition: Information Required for Environmental Review (EHP Job Aid), which are referenced throughout these instructions.

A. Applicant/Subapplicant Information

1. **Applicant/Subapplicant Legal Name**: Enter your organization’s legal name.

2. **Organizational Unit**: Enter the name of the department or agency within your organization that is pursuing the grant.

3. **Project Title**: Enter the name of the project title. The title should be short but descriptive (e.g., Everytown Residential Acquisition/Demolition Project).

4. **Applicant/Subapplicant Type**: Enter the type of applicant or subapplicant; refer to Hazard Mitigation Assistance (HMA) Guidance (Part III, Sections A and B) for information on Eligible Applicants and Subapplicants.

5. **Proposed Project Total Cost**: Enter the total cost of the project in the first field provided. In the fields beneath that, indicate the percentage and dollar amount of both the federal and local shares for the project.

6. **Certifications**: Read the statement provided and enter the requested information to certify the Applicant/Subapplicant reviewed and concurred with the HMGP program requirements.

7. **Mitigation Plan**: Mark the appropriate box—Yes or No. If Yes was marked, provide the specified information for the Local and State/Territorial/Tribal Mitigation Plan. Refer to HMA Guidance (Part III, Section E.5) for information on hazard mitigation plan requirements.

8. **National Flood Insurance Program (NFIP)**: Mark the appropriate box—Yes or No. HMGP mitigation project subapplications for projects sited within the Special Flood Hazard Area (SFHA) are eligible only if the jurisdiction in which the project is located is participating in the NFIP.

9. Enter the **Tax ID Number**, five-digit Federal Information Processing Standards (FIPS) code, six-digit **Community Identification Number**, and Data Universal Numbering System (DUNS) number for the Applicant/Subapplicant.

10. Enter the **U.S. Congressional District** for your jurisdiction, if applicable.
11. Enter the **State Legislative District** for your jurisdiction, if applicable.

12. **Primary Point of Contact:** Enter the contact information for the person coordinating the implementation of this grant throughout the application process.

13. **Alternate Point of Contact:** Enter the contact information for the alternate point of contact who can coordinate the implementation of this grant when the primary point of contact is not available.

14. **Authorized Applicant/Subapplicant Agent:** Enter the name and contact information for the authorized agent for your organization. The Authorized Applicant/Subapplicant Agent MUST be the chief executive officer, mayor, or person of comparable status who is authorized to sign contracts, authorize funding allocations or payments, etc.

**B. Project Narrative and Scope of Work**

Mitigation projects funded by HMA must be both technically feasible and effective at mitigating the risks of the hazard(s) for which the project was designed. Effective mitigation measures funded with an HMA grant provide a long-term or permanent solution to a risk from a natural hazard.

1. Insert the name and Applicant/Subapplicant type for your organization and indicate the number of buildings to be acquired and demolished and any alternate properties, if applicable. Complete the Primary Properties and the Alternate Properties spreadsheets, if applicable.

2. Check the box to verify that a photograph of each property has been included. Photographs should represent the appearance of each property site at the time of application. Ensure that photographs are clearly labeled.

3. Check the box to verify that tax assessor information/tax card(s) have been provided for each structure. This information is used to verify information throughout the application.

4. Provide a detailed description of the project purpose and flood risk being mitigated. Describe past flooding events that have affected the proposed properties. Please include information on past damages and the federal disaster declaration number, if applicable. See **Step 1 of the Technical Job Aid**.

5. Provide a detailed scope of work. Clearly explain the proposed mitigation activity, identify the tasks required to complete the proposed activity, and define the tasks to be accomplished in clear, concise and meaningful terms. **See Step 1 of the Technical Job Aid** and **Sections 1 and 2 of the EHP Job Aid** for additional guidance. The scope of work should include the following:

6. Describe the demolition portion of the project; this includes the removal of structures, underground improvements, utilities, debris removal methods and disposal locations, and site grading.

7. Describe the existing condition of the ground surfaces that would be disturbed by all activities.

8. Describe how the project will be accessed, where staging areas would be located and the vehicles and equipment that would be used.

9. Provide a geographic information system (GIS), Google Earth files (.kmz) or map or image that clearly shows the boundaries of the project area. Include all elements of the project, including ground disturbance areas, access and equipment staging.

10. Describe adjacent structures and include photographs and the year that they were originally constructed. See **Section 2B of the EHP Job Aid**.
11. Indicate the post-mitigation use. Indicate what land uses the resulting properties will have. The land must be maintained in a way that is compatible with open space, recreational or wetlands management practices and is consistent with conservation of natural floodplain functions. Refer to 44 Code of Federal Regulations Part 80 Subpart C and HMA Guidance Addendum, Sections A.2.2, A.6.1, and A.6.2 for allowable uses and open space restrictions.

**C. Alternatives Considered**

Mitigation project alternatives are required as part of application development. Indicate at least three alternative actions that were considered in the planning process:

1. No action alternative and its consequences
2. Alternative that was considered but not selected, and why
3. Additional alternative actions considered but not selected (not required)
4. The Proposed Action alternative is the project you are proposing in the application; explain why it is the most practical, effective and environmentally sound alternative.

See **Step 1 of the Technical Job Aid** and **Step 1 of the EHP Job Aid** for additional guidance.

**D. Environmental Planning and Historic Preservation Considerations**

Projects potentially could impact nearby physical, cultural (historic and archaeological), biological and social resources. Below are questions about potential impacts your project may have on these resources. Please note that not all of these may be applicable to your project. See the EHP Job Aid for more details.

1. Has the public been notified or provided input? If so, provide dates and method of outreach. If not, describe any planned public engagement activities for the project. (See **Section 3A of EHP Job Aid**.)
2. Describe any agency coordination and permits obtained from federal, state or local agencies to implement the project. Include copies of any coordination materials, permit applications or approvals. (See **Section 3B of EHP Job Aid**.)
3. Provide any studies that have been conducted for the project or for projects that were recently built nearby. Studies could include evaluations of cultural resources (e.g., historic, archaeological) or environmental resources (e.g., threatened and endangered species, wetlands, hydrology). (See **Section 3C of EHP Job Aid**.)
4. If the project is in a floodplain, describe the project activities that would occur or be located in the floodplain, if applicable. Show where project activities would overlap with floodplains on a map. (See **Section 3D of EHP Job Aid**.)
5. Describe any surface waters in or near the project area (e.g., ponds, lakes, rivers, streams, wetlands, other waterbodies). Describe any measures that would be used to avoid waterbodies or avoid impacting water (e.g., setbacks, silt fence). Show where project activities would overlap with wetlands or other waterbodies on a map. (See **Section 3E of EHP Job Aid**.)
6. Describe any known hazardous or contaminated materials at the project site including underground tanks. Describe how underground tanks (e.g., fuel, septic) would be removed or decommissioned in place. If the project
requires the use of hazardous materials (including herbicides), describe their use and best management practices to minimize environmental exposure. (See Section 3F of EHP Job Aid.)

7. Would the project involve the use of imported fill? If yes, describe the type and source of the fill material. (See Section 3G of EHP Job Aid.)

8. If the project would remove vegetation for any reason, describe the type and amount or area of vegetation (e.g., two oak trees, one-quarter acre of turf grass). Describe how vegetation would be removed, if applicable (e.g., root ball removal, flush cut, dug up, chemical weed killer). If using herbicides, describe best management practices for their use. Estimate during which season(s) or months vegetation removal would occur. Would any special techniques be used to ensure survival of the plants/ seeds (e.g., mulch, irrigation, protective fencing)? (See Section 3H of EHP Job Aid.)

9. List any best management practices that would be used during project construction. (See Section 3I of EHP Job Aid.)

E. Estimated Work Schedule

Specify the duration of each process component required to complete the project. Although the components’ occurrences are not necessarily sequential and activities may be carried out concurrently, the total project timeline cannot exceed the period of performance for HMGP, which is 36 months. If needed, include a detailed schedule in the attached documentation. For additional guidance, see Step 3 of the Technical Job Aid. Common milestones may include:

1. Signing Grant Agreement
2. Bidding and Procurement
3. Appraisals, Surveys and Title Searches
4. Mitigation Offers, Closings and Deed Recordations
5. Asbestos Inspection and Abatement
6. Structure Demolitions within 90 days of closing
7. Site Stabilization – Grading and Seeding
8. Closing Grant

F. Budget Estimating

1. Costing Methodology: Indicate which method(s) were used to determine the project costs. Choose whether the estimates were obtained from construction contractors and similar vendors, historical data from previous projects/activities (with an inflation factor, as needed), property appraiser, local property tax assessment data, online real estate websites or other national cost estimating reference. If none of these were used, please choose “Other” and describe the methodology used to develop the cost estimate. For additional guidance, see Step 4 of the Technical Job Aid.

2. Fair Market Value Determination: Indicate which method will be used to determine the fair market value of each property. Include appropriate documentation within the application. For additional guidance, refer to HMA Guidance Addendum (Section A.6.9).
3. **Cost Estimate:** Enter the costs associated with all tasks/activities necessary to complete the project, as applicable. Ensure all tasks/activities match the information included in all other documentation provided with the application. All costs should be detailed and not contain any lump sums. The cost estimate should include a line-item breakdown of costs consistent with all elements described in the Project Narrative and Scope of Work and Budget Estimating sections of this application. For additional guidance, see **Step 4 of the Technical Job Aid.** Common cost categories may include:

4. Pre-Award Costs. These costs must have occurred after the declaration date of the relevant disaster.

5. Fair Market Value of structures and land

6. Appraisal costs to determine Fair Market Value

7. Title Insurance

8. Legal/Closing Costs

9. Deed Recording Fees

10. Uniform Relocation Assistance and Real Property Acquisition Act Relocation Assistance

11. Environmental Surveys and Other Costs Imposed by Regulatory Agencies

12. Asbestos & Other Hazards, Inspection & Removal

13. Structure Demolition and Associated Costs

14. Debris Removal

15. Clear Outbuildings, Slabs, Pads and Driveways

16. Filling Basements and Pools

17. Well, Septic and Underground Storage Tank Pumping and Capping

18. Grading and Seeding

19. Other. Use as needed and explain in budget narrative box below.

   Refer to HMA Guidance Addendum, Section A, Table 1 for generally allowable costs for property acquisition and demolition.

20. **Budget Narrative:** Provide a budget narrative with explanations, justifications and line-item details of the project costs. If needed, indicate in box that the narrative is in an attachment to the application and provide with application submittal.

   The budget narrative should explain how costs were derived, including any details not in the line items. For additional guidance, see **Step 4 of the Technical Job Aid.**

G. **Nonfederal Funding Share (25% of Total Project Costs)**

List all sources and amounts used in the nonfederal share, including all in-kind services. In-kind services may not exceed the 25% nonfederal share. For each source, indicate the name of the source agency, describe the type of funding and the amount. Attach letters of funding commitment for each source.
H. Additional Requirements

This section describes additional general requirements for Acquisition/Demolition Grants. Check each box to acknowledge the requirements. Insert the name of the jurisdiction or organization that will take ownership of the resulting property or properties in the box for Item 5.

I. Cost-Effectiveness

The Benefit-Cost Analysis (BCA) should be developed in accordance with Step 8 of the Technical Job Aid. The Technical Job Aid will provide additional guidance for the development the BCA and required supporting documentation required for the benefit-cost analysis.

1. **Cost-effectiveness Methodology:** Indicate which methodology was used to evaluate cost-effectiveness for the project. Select the appropriate BCA approach for your project. If the Benefit-Cost Analysis Software was used, indicate the Benefit-Cost Ratio.

The BCA software can be found at [https://www.fema.gov/benefit-cost-analysis](https://www.fema.gov/benefit-cost-analysis), including explanations of how to use the tool. It is a best practice to provide a BCA narrative as supporting documentation. The BCA narrative should describe the methodology, assumptions and justifications for all inputs to the subapplication documentation. All inputs for the BCA must be documented unless a FEMA standard or default value is used.

If pre-calculated benefits are used, the average cost of all structures in the project must meet the stated criterion in the FEMA memo entitled “Cost Effectiveness Determinations for Acquisitions and Elevations in Special Flood Hazard Areas Using Pre-calculated Benefits.”

If the project involves acquisition of structures that are declared substantially damaged (from any origin) and located in a riverine SFHA on a preliminary or effective flood insurance rate map (FIRM), the subapplicant may use the substantial damage waiver approach in lieu of providing a BCA or using pre-calculated benefits. For additional guidance, refer to the HMA Guidance (Part IV, Section I.1). Substantial Damage Waivers must be attached for reference.

J. Required Documentation Attached

Indicate all attachments to be included with this form. Please also indicate any additional documentation in the box below.

- Site photos of each property
- Tax card for each property
- Hazardous Materials Property Survey (include Individual Property Survey Form for each)
- Substantial Damage Documentation, as applicable
- Complete the attached Primary Properties and Alternate Properties spreadsheet(s)
- Voluntary Interest Forms: Interested homeowners will be required to sign Voluntary Interest Forms to ensure that they are made aware that participation is voluntary, and that neither FEMA, the state/tribe, nor the local jurisdiction will use eminent domain to acquire the properties. Signed Voluntary Interest Forms, or community
meeting sign-in forms that include the information on voluntary participation and the signatures of interested homeowners, are included as documentation.

- Documentation of Fair Market Value. Indicate the applicable method for determination of the Fair Market Value.

- Pre-event, fair market value is offered to homeowners who are Nationals of the United States, or qualified aliens. Under certain circumstances, Nationals and qualified aliens may be offered current fair market value. Homeowners who are not Nationals of the United States and are not qualified aliens will be offered current fair market value. The jurisdiction generally will not combine pre-event fair market value offers and current fair market value offers to homeowners within one project.

- Citizenship Forms, if using Pre-Event Fair Market Value (Declaration & Release Form 009-0-3)

- Property Site Maps: Provide map(s) showing the project location(s). If the project includes multiple structures, show the project boundaries. See Step 5 of the Technical Job Aid.

- FIRMette with property locations clearly marked. FIRMettes can be accessed in the FEMA Flood Map Service Center (https://msc.fema.gov/portal/home).

- Flood Hazard Data: Provide copies of data from applicable FEMA Flood Insurance Study, independent engineering study used to assess flood risk for the project or historical flood event data.

- Consultation Documentation

- State Historic Preservation Officers (SHPO) Consultation, required if:
  - Structure is 45 years or older at the time of FEMA review
  - New ground is being disturbed
  - Project is located in a Historic District

- Appropriate BCA documentation, including an export of the BCA tool and PDF of the BCA Report from the toolkit (if applicable) and all supporting documentation

- Funds commitment letter, which lists the sources and amounts used in the nonfederal share requirement, including all in-kind services. Fund commitment letters are also required from nonapplicant sources.

- Assurances (112-0-3C or 20-16c, and SF-LLL if applicable)

- Completed SF-424, signed by the authorized representative of the jurisdiction

- Completed SF-424d (Construction Programs) and SF-424c (Budget Information for Construction Programs)

- Supplemental payment
  - For the property owner to receive a supplemental payment, the recipient and subrecipient must demonstrate that the following circumstances exist:
    - Funds cannot be secured from other, more appropriate sources, such as housing agencies or voluntary groups
    - Decent, safe and sanitary housing of comparable size and capacity is not available in non-hazard-prone sites within the community at the anticipated acquisition price of the property being vacated
– The project would otherwise have a disproportionately high adverse effect on low-income or minority populations because project participants in these populations would not be able to secure comparable decent, safe, and sanitary housing

- Detailed budget with additional budget narrative if box provided is not sufficient
- Designated Authorized Agent documentation designating authority for the signatory to sign contracts, authorize funding allocations or payments, or apply for grant funding that is signed by the ruling body of the applicant
- FEMA Model Deed Restriction
- FEMA Statement of Assurances: Include a signed copy of the FEMA Statement of Assurances. Refer to HMA Guidance Addendum, Section A.6.3 for additional guidance.
- If there will be additional items not listed, please indicate those items in the comment box below this section.