UNIFIED HAZARD MITIGATION ASSISTANCE (HMA) GRANTS
What is Mitigation?

- “sustained actions taken to reduce or eliminate long-term risk to people and property from hazards and their effects…”
- Build better/stronger – don’t simply restore to pre-disaster conditions
- Looking for upgrades, improvements & enhancements over existing conditions
- Mitigation breaks the cycle of damage/repair/damage
FEMA Hazard Mitigation Grants

- Property owners must apply to Town; property owners cannot apply direct to MEMA/FEMA
- Elevation and acquisition grants are strictly voluntary on the part of the homeowner
- FEMA-funded; administered by MEMA/DCR at State level
- Not ‘emergency’ type program (the grant process takes time)
- Cannot fund work that has already been completed
- PDM and FMA programs are annual programs that are nationally competitive. Each year FEMA will indicate the amount of funding available nationwide for these programs.
- HMGP is funded following a presidentially declared disaster
Important Factors

- **This is a reimbursement grant**
  - Meaning the homeowner pays first and submits bills, checks, etc. and is then reimbursed for actual eligible costs incurred
  - Partial reimbursements are allowable, and recommended
  - 10% of total grant is withheld by MEMA until after final inspection by MEMA/FEMA

- **There is a cost share to these grants**
  - Grant funds are typically funded with 75% Federal share, 25% non-federal match (non-federal match for residential acquisitions and structural elevations is generally provided by property owner)
  - Properties included in a project sub-application for FMA funding must be NFIP insured at the time of the application submittal
  - The non-federal share must be directly related to the proposed activities and must be identified in the application
  - Some specific properties are eligible for more than 75% federal share; those are SRL or RL properties under the NFIP (not a published list)
The Biggert-Waters Act of 2012 (BW-12) established definitions of repetitive loss property and severe repetitive loss property for cost-sharing purposes in the FMA Program. (Note: BW-12 also eliminated the SRL program and integrated it into FMA).

- A RL property (potentially eligible for 90% Fed. funding) is a structure (covered by a contract for flood insurance made available under the NFIP) that:

  (a) Has incurred flood-related damage on 2 occasions, in which the cost of the repair, on the average, equaled or exceeded 25 percent of the market value of the structure at the time of each such flood event; and

  (b) At the time of the second incidence of flood-related damage, the contract for flood insurance contains increased cost of compliance coverage.

- A SRL property (potentially eligible for 100% Fed. funding) is a structure (covered by a contract for flood insurance made available under the NFIP) that:

  (i) Has incurred flood related damage – for which 4 or more separate claims payments have been made under flood insurance coverage with the amount of each such claim exceeding $5,000, and with the cumulative amount of such claims payments exceeding $20,000; or

  (ii) For which at least 2 separate claims payments have been made under such coverage, with the cumulative amount of such claims exceeding the market value of the insured structure.
There is a longstanding definition in the National Flood Insurance Program (NFIP) for repetitive loss property. That is a property with 2 or more flood insurance claims paid under the NFIP of over $1,000 each, within any 10-year period. This definition is used for most aspects of the NFIP, including describing areas of repetitive flooding in a community’s hazard mitigation plan.
Types of Eligible Activities

- Elevation of structures
- Acquisition of structures (conversion to open space)
- Elevation of utilities
- Wind Retrofit
- Drainage Improvements (culvert upgrades, etc.)
- Stormwater Management (detention/retention)
- Backflow prevention
Facts on Structural Elevation

- Elevate existing structure above Base Flood Elevation (BFE)
- Construction must be in conformance with all federal, state, and local permitting/design requirements (building permit, Notice of Intent, etc.)
- Must also meet ASCE/SEI 24-05 criteria
- Elevation Certificate before and after elevation will be required
- Benefit-Cost Analysis (BCA) documentation
- Maintain flood insurance in perpetuity after project completion (recorded via deed restriction)
- Cannot increase square footage of home; elevation of existing structure only
Elevation – Application Requirements

Following items are needed for an application:

- Detailed Scope of Work – usually provided by a contractor or engineer/architect hired by the homeowner
- Elevation certificate
- Cost estimate (3 bids from contractors)
- Photos (at least one of each side)
- Physical address and property owner’s name
- Flood Insurance Rate Map (FIRMette)
- Tax Assessors Card
Facts on Acquisition

- Fair Market Value (FMV) for the land & home are determined by an appraisal.
- The federal grant will pay for usually up to 75% of the FMV; the remaining 25% is usually absorbed by homeowner or through another non-federal funding source.
- The community buys private property, acquires title to it, and then demolishes the building and removes utilities.
- The deed is then recorded as permanent open space and no building can occur in the future. The town will maintain the land in the future.
- Buyouts are strictly voluntary (both on the part of the Town & property owner). No homeowners are ever forced to relinquish their property.
- Participation or inclusion in an application for funds, does not obligate a homeowner to sell home.
- Reference HMA Guidance Addendum for additional details regarding Property acquisition.
Acquisition – Application Requirements

- Following items are needed for an application:
  - Detailed Scope of Work and total budget
  - Benefit cost information (more details later in presentation)
  - Statement of Assurances
  - Deed Restriction Language (drafts)
  - Property Owner Documentation
    - Owner must be a US Citizen or qualified alien
    - Letter of Voluntary Interest
    - Estimate of fair market value (official appraisal is not needed for the application)
Other Types of Mitigation Activities...

- **Mitigation Reconstruction**
  - Pays up to $150,000 to elevate building on the same site where an existing building and/or foundation has been partially or completely destroyed
  - Only permitted for structures outside of the regulatory floodway or coastal high hazard area (Zone V)

- **Utility Elevation (non-structural retrofitting)**
  - Modifications to existing utilities to raise them to a higher level in the home (above BFE)
  - Will not pay for new appliances/equipment

- **Wind Retrofit**
  - Storm Shutters, impact resistant glass, in conformance with *Retrofit Guide for Residential Buildings (FEMA P-804)*
Benefit-Cost Analysis (BCA)

- A BCA is required for all mitigation projects
- For Acquisitions and Elevations in the Special Flood Hazard Area (Flood Zone) there is a BCA waiver in place
  - If your acquisition project costs less than $276,000 the waiver may apply
  - If your elevation project costs less than $175,000 the waiver may apply
- BCA looks at damages twice; before mitigation & after mitigation
  - Benefits = damages and/or losses avoided with project implementation
    - damages to buildings, infrastructure, contents;
    - economic impacts of loss of building, public services, net business income and costs for temporary quarters;
    - avoided emergency response costs (security, temp. protective measures, etc.)
- Typically the homeowner provides all the data to the town and the town conducts the BCA analysis in FEMA Software
Roles & Responsibilities

- **FEMA:**
  - Review and evaluate sub-applications submitted by State;
  - Approve federal funding for selected projects

- **State (Grantee):**
  - Provide Assistance & solicit for project applications;
  - Conduit for applications and funding to locals;
  - Responsible for project management and accountability of funds at State level

- **Local (Sub-Grantee):**
  - Work with property owners/businesses to develop mitigation applications;
  - Primary responsibility for developing project applications and Benefit-Cost Analyses (BCA);
  - Project management, implementation and local accountability of project funds
MEMA is conduit for applications and funding to/from FEMA

Town is the sub-grantee and the POC/conduit for local residents

The Town will work with homeowners to ensure all terms and conditions of the grant are being met

Projects must be cost effective
Grant Guidelines & Resources

- FEMA Unified HMA Program Guidance (2 PDF’s)
  - https://www.fema.gov/media-library/assets/documents/33634
  - http://www.fema.gov/library/viewRecord.do?id=1420
- Protect Your Property from Flooding
  - http://www.fema.gov/library/viewRecord.do?id=3262
- Above the Flood: Elevating your Flood Prone House (FEMA 347)
  - http://www.fema.gov/library/viewRecord.do?id=1424