Hazard Mitigation Grant Program Project Eligibility

Ref: 44 CFR 206.434 (b) and The State of Florida Mitigation Plan

A project application will be evaluated in the context of minimum criteria. This section provides a discussion of the minimum project eligibility criteria. Every proposed mitigation project must meet ***all*** of the following criteria:

Conforms with the State of Florida Mitigation Plan

The potential mitigation project must correspond with the policies set forth within the state plan.

Provides a beneficial impact upon the disaster area

A project should entail mitigation measures that possess:

- The potential for reducing loss of life and property in the disaster area;
- The potential to solve other social and economic problems through multi-objective planning.

Conforms with environmental regulations

A project must be in conformance with 44CFR Part 9, Floodplain Management and Protection of Wetlands (Executive Orders 11988 and 11990), as well as 44CFR Part 10, Environmental Considerations (environmental requirements of the National Environmental Policy Act).

Solves a problem

A project must solve a problem independently or constitute a functional part of a solution where there is assurance that the project as a whole will be completed. A study or plan that identifies or simply analyzes a problem without a funded, and scheduled, implementation plan will not be eligible.

Impacts a local government participating in the National Flood Insurance Program

If the local government has Special Flood Hazard Areas; it must participate in the National Flood Insurance Program in order to receive a Hazard Mitigation Grant Program project. The National Flood Insurance Program provides flood insurance to encourage residents and local governments to mitigate flood damage. To qualify, a community adopts and enforces a floodplain management ordinance which regulates development in flood hazard areas. The objective of the ordinance is to ensure that such development will not aggravate existing flooding conditions and that new and substantially improved / substantially damaged buildings be protected from a future flood damage.

Meets all applicable State and local codes and standards and does not contribute to or encourage development in coastal high hazard areas or other vulnerable areas.

The Florida Legislature has enacted legislation which describe how Florida is vulnerable to a wide range of emergencies which threaten the life, health, and safety of its people. The legislation further states that this vulnerability is exacerbated by the tremendous growth and development in coastal areas. The intent of the Legislature is to reduce the vulnerability of the people and property of this state.

Demonstrates cost-effectiveness

A project must be cost-effective and substantially reduce the risk of future damage, hardship, loss, or suffering resulting from a major disaster. This requirement is satisfied by performing an analysis to determine whether the benefits to be gained are greater, or at least equal to, the cost of the project. The subgrantee 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. 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 annual damages). In order to ascertain these dollar amounts, the first step is to calculate an estimate of expected annual damages caused by the hazard under consideration. These expected annual damages are based on the frequency and intensity of the hazard which can be based on historical records or on hazard data such as that which is contained in a Flood Insurance Study. Damages and losses are classified according to three categories:

Direct Damages (property)

- Structural (buildings, homes, levees)
- Non-structural (automobiles, furniture, clothing, equipment)

Indirect Damages (loss of function)

- Lost wages
- Lost sales or business income
- Relocation expenses
- Rent for temporary housing or space

Deaths and injuries

Once the annual damages have been determined, the cost of the mitigation project must be determined and the expected annual benefits can be calculated. The benefits that accrue from a hazard mitigation measure are the avoided damages. That is, a combination of direct and indirect damages, as well as deaths and injuries. Project costs include such things as labor and materials, equipment, engineering, and architect fees, real estate fees, permit fees, etc.

The subgrantee must document that the project will not cost more that the anticipated value of reduction in both direct damages and subsequent negative impacts to the area, if future disasters were to occur. In addition to this numerical evaluation of the proposed project, an accompanying narrative statement should be included with the application. The narrative may be brief, but it should accomplish two things. First, it should clearly explain the expected benefits of the project so that the state and the Federal Emergency Management Agency can easily understand the benefit-cost analysis. Secondly, the narrative must document and reference all sources of data used in the analysis.

When performing the benefit-cost analysis for flood retrofitting projects, the state and the Federal Emergency Management Agency may require additional information. The HMGP application form contains sample data collection forms to be used to perform benefit-cost analysis. These forms are taken from the FEMA cost/benefit modules: (1) Riverine Flood Modules, (2) Infrastructure Module, and (3) Wind Modules. For example, Finish Floor Elevations are required data necessary to perform the Riverine Flood Module.

A benefit-cost review is not required, if the cost of repairing a damaged structure in a Special Flood Hazard Area equals or exceeds 50% of the market value of the structure. That is, the damaged structure has triggered substantial improvement/substantial damage.

Considers a Range of Alternatives

The subgrantee must document that the project has been determined to be the most practical, effective, and environmentally sound alternative after considering a range of options. It is important to document that other options were considered including the "non–action" alternative and to give explanations why these alternatives were not chosen (cost-effectiveness, timely solution to a problem, etc.).

Mitigation measures funded under the Hazard Mitigation Grant Program are required to provide a permanent or long-term solution to the problem that is being addressed. This information must be documented in the application in order to ensure that the mitigation measure truly will do what it is intended to accomplish. When and where applicable documentation should include consideration for long-term changes to the disaster impacted areas and entities it protects (e.g. population growth and future development), an expected maintenance plan, and any modification requirements that may be necessary over the life of the project.

Examples of mitigation projects include, but are not limited to, drainage system upgrades and improvements, structural elevation, land contour alteration, wind breaks, flood wall installation or improvement, elevation of roads, flood proofing, acquisition or relocation, studies which provide implement able results, and the development of mitigation plans and programs with implementation as a result.