

AGENDA ITEM MEMO

BOARD MEETING DATE: January 28, 2021

TO: Board Members

THROUGH: Jeff Walker, Executive Administrator
John T. Dupnik, P.G., Deputy Executive Administrator, Water Science and Conservation
Ashely Harden, General Counsel
Rebecca Trevino, Chief Financial Officer

FROM: Kathy Hopkins, Manager, Grant Coordination
Saul Nuccitelli, Director, Flood Science and Community Assistance

SUBJECT: Federal Fiscal Year 2019 Flood Mitigation Assistance

ACTION REQUESTED

Consider authorizing the Executive Administrator to negotiate and execute contracts as approved and directed by the Federal Emergency Management Agency in a total amount not to exceed \$ 47.4 million for subgrants from the Flood Mitigation Assistance Grant program upon notification of award.

BACKGROUND

The Texas Water Development Board (TWDB) administers the Federal Emergency Management Agency's (FEMA) Flood Mitigation Assistance grant program in Texas and serves as the point of contact for the distribution of these federal grants for mitigation planning and project implementation. The TWDB also provides technical assistance in the development of applications and the implementation of the grant program. The goal of the Flood Mitigation Assistance grant program is to provide federal funding to political subdivisions in order to mitigate flood damages and prevent future losses associated with Severe Repetitive Loss, Repetitive Loss, or substantially damaged structures insured under the National Flood Insurance Program through mitigation projects and long-term comprehensive mitigation planning.

Grant applications funded for Flood Mitigation Assistance follow several eligibility and funding criteria:

- Subapplicants must be participants in the National Flood Insurance Program and properties included in project proposals must have and maintain flood insurance.

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Jeff Walker, Executive Administrator

- FEMA may contribute up to 100 percent of the total eligible cost for mitigation of Severe Repetitive Loss¹ structures through acquisition, relocation, demolition, elevation, mitigation reconstruction, and floodproofing of historical structures.
- FEMA may contribute up to 90 percent of the total eligible cost for mitigation of Repetitive Loss structures² through acquisition, relocation, demolition, elevation, mitigation reconstruction, and floodproofing of historical structures.
- FEMA may contribute up to 75 percent of the total eligible cost for mitigation of all other structures insured through the National Flood Insurance Program, Community Flood Mitigation Projects (e.g. drainage projects), or for mitigation planning grants.
- Projects require a Benefit-Cost Ratio of 1.0 or higher as determined by FEMA's Benefit-Cost Analysis software or other FEMA approved methodology.

The Fiscal Year 2019 Flood Mitigation Assistance Notice of Funding Opportunity (DHS-19-MT-029-000-99) identified the nationwide application period (September 30, 2019 through January 31, 2020), the funding priorities, the period of performance, and the availability of \$210 million in funding. As provided in Title 44 of the Code of Federal Regulations Part 78 and in current FEMA guidance, the TWDB's responsibilities include the review of subapplications submitted by political subdivisions. Eligible subapplications are forwarded to FEMA for final approval and authorization to fund. Contracting responsibilities are then performed by the TWDB once funding approval is received from FEMA.

KEY ISSUES

For the Fiscal Year 2019 funding opportunity, the TWDB received 22 Flood Mitigation Assistance project grant subapplications. After eligibility and administrative review, the TWDB forwarded 13 of the 22 subapplications to FEMA for a total federal funding request of \$54.1 million. A list of the 13 subapplications is in Attachment A. FEMA notified the TWDB that 11 of the 13 subapplications totaling \$44,480,725 in federal funding, with a community match requirement of \$2,875,244 for a total of \$47,355,969 were "Identified for Further Review."

Table 1 lists the 11 selected subapplications, and Attachment B provides a project summary for each. FEMA defines "Identified for Further Review" as the subapplications that have been selected for funding (award) once all pre-award activities are completed. Staff continues to work with FEMA Region VI to complete pre-award activities for these subapplications prior to FEMA making the official award.

These subapplications will be mitigating 290 flood prone structures, through either elevation, drainage projects, or acquisition. There is one subapplication for a planning study which proposes to identify and develop a project to mitigate flood prone structures.

¹ A Severe Repetitive Loss property is a structure that has incurred either (i) four or more claim payments exceeding \$5,000 per claim, and with a cumulative amount exceeding \$20,000, or (ii) two separate building claim payments with a cumulative amount exceeding the market value of the insured structure.

² A Repetitive Loss property is a structure that has incurred flood-related damage on two occasions in which the cost of the repair, on average, equaled or exceeded 25 percent of the market value of the insured structure at the time of each flood event.

Table 1. Summary of the Fiscal Year 2019 Flood Mitigation Assistance subapplications “Identified for Further Review”.

Subapplicant	Mitigation type	Number of structures	Federal share (\$)	Local share (\$)	Total project cost (\$)
Corinth, City of	Drainage	100	2,907,633.14	969,211.06	3,876,844.20
Galveston County	Elevations	40	6,606,442.27	148,100.64	6,754,542.91
Galveston, City of	Planning Study	NA	150,000.00	50,000.00	200,000.00
Houston, City of (1)	Elevations	29	7,397,749.02	353,010.18	7,750,759.20
Houston, City of (2)	Elevations	37	5,592,570.18	777,103.98	6,369,674.16
Houston, City of (3)	Elevations	26	7,094,189.80	362,404.70	7,456,594.50
Montgomery County	Acquisitions	35	10,076,167.19	0.00	10,076,167.19
Nassau Bay, City of	Elevations	7	1,876,430.06	180,414.94	2,056,845.00
Orange County	Elevations	6	1,003,984.04	34,998.76	1,038,982.80
Pearland, City of	Elevations	6	1,346,400.00	0.00	1,346,400.00
Vidor, City of	Acquisitions	4	429,159.20	0.00	429,159.20
Totals		290	44,480,724.90	2,875,244.26	47,355,969.16

In addition to the 11 selected subapplications, FEMA also selected TWDB’s Management Cost subapplication in the amount of \$2,144,778 of federal funds with a required state general revenue match of \$167,018 over the grant’s three-year period of performance. Management costs contribute to TWDB staff salary, travel, and other administrative costs.

RECOMMENDATION

The Executive Administrator recommends approval to negotiate and execute contracts as approved and directed by FEMA in a total amount not to exceed \$47.4 million for subgrants from the Flood Mitigation Assistance grant program upon notification of award as this program meets the agency’s objectives of providing financial assistance to communities to reduce or eliminate the long-term risk of flood damage and to become more flood resilient.

Attachments:

Attachment A: Flood Mitigation Assistance Fiscal Year 2019 Subapplication Status

Attachment B: Summary of FEMA-Selected Flood Mitigation Assistance Subapplications

Attachment A
Flood Mitigation Assistance FY 2019 Subapplication Status

Below is an excerpt from the Federal Emergency Management Agency (FEMA) Fiscal Year 2019 Flood Mitigation Assistance nationwide disposition announcement of selection (Table A.1) that shows the status of the 13 subapplications along with the TWDB Management Cost subapplication (as detailed in the Board item) submitted by the Texas Water Development Board (TWDB) for the Fiscal Year 2019 Flood Mitigation Assistance (FMA) application cycle. FEMA selected 12 subapplications as “Identified for Further Review.”

For Fiscal Year 2019, \$210 million was appropriated for the FMA grant program. In August 2019, FEMA posted the Notice of Funding Opportunity on www.grants.gov for FMA grants with an application period from September 30, 2019 through January 31, 2020. FEMA received 234 FMA subapplications submitted by 32 states and territories totaling over \$306.2 million: 36 planning, 167 projects, 4 technical assistance, and 27 applicant management cost subapplications. FEMA has completed eligibility review to ensure compliance with Hazard Mitigation Assistance Guidance and has made selections based on the agency’s priorities and available funding. FEMA has identified for further review 145 FMA subapplications from 26 applicants: 26 planning (includes 18 Community Mitigation Advance Assistance), 94 projects (includes 4 Community Flood Mitigation projects), 4 technical assistance subapplications, and 21 applicant management costs for \$209.6 million.

Table A.1. Status of 13 TWDB submitted subapplications and the TWDB management cost subapplication.

	Subapplication Title	Submitted Federal Share (\$)	Status
1	TWDB FY2019 Management Cost	2,144,777.52	Identified for Further Review
2	City of Galveston Community Flood Mitigation Advance Assistance	150,000.00	Identified for Further Review
3	City of Corinth - Community Flood Mitigation Project	2,907,633.14	Identified for Further Review
4	2019 FMA Subapplication -City of Vidor Acquisition	429,159.20	Identified for Further Review
5	City of Pearland Flood Mitigation Assistance Program	1,346,400.00	Identified for Further Review
6	Galveston County FMA Elevations	6,606,442.27	Identified for Further Review
7	Montgomery County FMA 2019 Acquisition	10,076,167.19	Identified for Further Review
8	Nassau Bay 2019 FMA Home Elevations	1,876,430.06	Identified for Further Review
9	City of Houston Elevation Mitigation Project 2019 No. 3	7,094,189.80	Identified for Further Review
10	City of Houston Elevation Mitigation Project 2019 No. 1	7,397,749.02	Identified for Further Review
11	City of Houston Elevation Mitigation Project 2019 No. 2	5,592,570.18	Identified for Further Review
12	Orange County FMA Elevation Project	1,003,984.04	Identified for Further Review
13	City of Jersey Village 2019 FMA Elevation Project	8,974,792.90	Not Selected
14	Sunset Valley Community Flood Mitigation Project	252,532.50	Not Selected

Source: *Flood Mitigation Assistance FY 2019 Subapplication Status*,
<https://www.fema.gov/grants/mitigation/floods/flood-mitigation-assistance-fy2019-subapplication-status#2019chart>.

Attachment B

Summary of FEMA- Selected Flood Mitigation Assistance Applications

City of Corinth: Drainage Project

Federal Emergency Management Agency- Flood Mitigation Assistance

Proposed Project Funding:

Federal Share: \$2,907,633.14
Local Share: \$969,211.06
Total Project Cost: \$3,876,844.20

Participants: City of Corinth

Period of Performance: 3 years

Project Description: The City of Corinth seeks to mitigate 100 structures, dig out and widen three existing drainage ways, dig a detention pond to mitigate downstream impacts from the increased conveyance capacity, enlarge three culvert crossings and grade to control and direct sheet flow. The project has a positive Benefit-Cost Ratio of 2.51. FEMA will award \$2,907,633.14 in federal funds with a local share requirement of \$969,211.06 for a total cost of \$3,876,844.20.

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Galveston County: Elevation Project

Federal Emergency Management Agency- Flood Mitigation Assistance

Proposed Project Funding:

Federal Share: \$6,606,442.27
Local Share: \$148,100.64
Total Project Cost: \$6,754,542.91

Participants: Galveston County

Period of Performance: 3 years

Project Description: Galveston County seeks to mitigate forty structures total, thirty-three Severe Repetitive Loss structures, six Repetitive Loss structures, and one is neither. These houses are in flood prone areas, and will be elevated to the base flood elevation, plus any freeboard required by the NFIP community. These structures are single-family residential, and the owners have voluntarily committed to the elevation of their structure by Galveston County. The project has a positive Benefit-Cost Ratio of 1.03. FEMA will award \$6,606,442.27 in federal funds with a local cost share requirement of \$148,100.64 for a total project cost of \$6,754,542.91.

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**City of Galveston Planning Study
Federal Emergency Management Agency- Flood Mitigation Assistance**

Proposed Project Funding:

Federal Share: \$150,000.00
Local Share: \$50,000.00
Total Project Cost: \$200,000.00

Participants: City of Galveston

Period of Performance: 3 years

Project Description: The City of Galveston seeks to conduct a planning study to develop a mitigation strategy for the downtown district from 19th Street (east) to 27th Street (west), and from Post Office (south) to New Strand (north). The goal of this study is to identify the primary impacts of flooding and address flooding issues. FEMA will award \$150,000 in federal funds with a local cost share requirement of \$50,000 for a total project cost of \$200,000.00.

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**City of Houston: Elevation Project (1)
Federal Emergency Management Agency- Flood Mitigation Assistance**

Proposed Project Funding:

Federal Share: \$7,397,749.02
Local Share: \$353,010.18
Total Project Cost: \$7,750,759.50

Participants: City of Houston

Period of Performance: 3 year

Project Description: The City of Houston seeks to mitigate twenty-nine structures: fifteen are Severe Repetitive Loss structures, eleven are Repetitive Loss structures. All structures will be mitigated two feet above the 500-year flood level to eliminate NFIP claims, economic loss, and disruption that results from the repeated flood of residential structures. These structures are single-family residential, and the owners have voluntarily committed to the elevation of their structure by the City of Houston. The project has a positive Benefit-Cost Ratio of 1.17. FEMA will award \$7,397,749.02 in federal funds with a local cost share requirement of \$353,010.18 for a total project cost of \$7,750,759.50.

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City of Houston: Elevation Project (2)
Federal Emergency Management Agency- Flood Mitigation Assistance

Proposed Project Funding:

Federal Share: \$5,592,570.18
Local Share: \$777,103.98
Total Project Cost: \$6,369,674.16

Participants: City of Houston

Period of Performance: 3 years

Project Description: The City of Houston seeks to mitigate thirty-seven structures total; five Severe Repetitive Loss structures and twenty-two Repetitive Loss structures. All structures will be mitigated two feet above the 500-year flood level to eliminate NFIP claims, economic loss, and disruption that results from the repeated flood of residential structures. These structures are single-family residential, and the owners have voluntarily committed to the elevation of their structure by the City of Houston. The project has a positive Benefit-Cost Ratio of 1.02. FEMA will award \$5,592,570.18 in federal funds with a local cost share requirement of \$777,103.98 for a total project cost of \$6,369,674.16.

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City of Houston: Elevation Project (3)
Federal Emergency Management Agency- Flood Mitigation Assistance

Proposed Project Funding:

Federal Share: \$7,094,189.80
Local Share: \$362,404.70
Total Project Cost: \$7,456,594.50

Participants: City of Houston

Period of Performance: 3 year

Project Description: The City of Houston seeks to mitigate Twelve Severe Repetitive Loss, Eleven Repetitive Loss, and two NFIP (National Flood Insurance Program) structures. All structures will be mitigated two feet above the 500-year flood level to eliminate NFIP claims, economic loss, and disruption that results from the repeated flood of residential structures. These structures are single-family residential, and the owners have voluntarily committed to the elevation of their structure by the City of Houston. The project has a positive Benefit-Cost Ratio of 1.15. FEMA will award \$7,094,189.80 in federal funds with a local cost share requirement of \$362,404.70 for a total project cost of \$7,456,594.50.

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**Montgomery County: Acquisition and Demolition Project
Federal Emergency Management Agency- Flood Mitigation Assistance**

Proposed Project Funding:

Federal Share: \$10,076,167.19
Local Share: \$0.00
Total Project Cost: \$10,076,167.19

Participants: Montgomery County

Period of Performance: 3 years

Project Description: Montgomery County seeks to mitigate thirty-five Severe Repetitive Loss structures by acquisition, demolition, and the conversion of land to open green space. The structures are single-family residential, and the owners have voluntarily committed to the acquisition and demolition by Montgomery County. The project has a positive Benefit-Cost Ratio of 1.22. FEMA will award \$10,076,167.19 in federal funds with a local cost share requirement of \$0.00 for a total project cost of \$10,076,167.19.

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**City of Nassau Bay: Elevation Project
Federal Emergency Management Agency- Flood Mitigation Assistance**

Proposed Project Funding:

Federal Share: \$1,876,430.06
Local Share: \$180,414.94
Total Project Cost: \$ 1,956,846.00

Participants: City of Nassau Bay

Period of Performance: 3 years

Project Description: The City of Nassau Bay seeks to mitigate seven structures. Elevations will be conducted to raise structures 2' above the proposed BFE per the City's freeboard requirements. These structures are single-family residential, and the owners have voluntarily committed to the elevation of their structure by the City of Nassau Bay. The project has a positive Benefit-Cost Ratio of 1.06. FEMA will award \$1,876,430.06 in federal funds with a local cost share requirement of \$180,414.94 for a total project cost of \$ 1,956,846.00.

**Orange County: Elevation Project
Federal Emergency Management Agency- Flood Mitigation Assistance**

Proposed Project Funding:

Federal Share: \$1,003,984.04
Local Share: \$34,998.76
Total Project Cost: \$1,038,982.80

Participants: Orange County

Period of Performance: 3 years

Project Description: Orange County seeks to mitigate four Severe Repetitive Loss and two Repetitive Loss structures. All structures will be mitigated two feet above the 100-year flood level to eliminate NFIP claims, economic loss, and disruption that results from the repeated flood of residential structures. These structures are single-family residential, and the owners have voluntarily committed to the elevation of their structure by Orange County. The project has a positive Benefit-Cost Ratio of 1.01. FEMA will award \$1,003,984.04 in federal funds with a local cost share requirement of \$34,998.76 for a total project cost of \$1,038,982.80.

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**City of Pearland: Elevation Project
Federal Emergency Management Agency- Flood Mitigation Assistance**

Proposed Project Funding:

Federal Share: \$1,346,400.00
Local Share: \$0.00
Total Project Cost: \$1,346,400.00

Participants: City of Pearland

Period of Performance:

Project Description: The City of Pearland seeks to mitigate five Severe Repetitive Loss structures. Elevations will be conducted to raise structures 1.5-3 feet above the base flood elevation. These structures are single-family residential, and the owners have voluntarily committed to the elevation of their structure by the City of Pearland. The project has a positive Benefit-Cost Ratio of 1.01. FEMA will award \$1,346,400.00 in federal funds with a local cost share requirement of \$0.00 for a total project cost of \$1,346,400.00

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**City of Vidor: Acquisition and Demolition Project
Federal Emergency Management Agency- Flood Mitigation Assistance**

Proposed Project Funding:

Federal Share: \$429,159.20

Local Share: \$0.00

Total Project Cost: \$429,159.20

Participants: City of Vidor

Period of Performance: 3 years

Project Description: The City of Vidor seeks to mitigate four Severe Repetitive Loss structures by acquisition, demolition, and the conversion of land to open space. The structures are single-family residential, and the owners have voluntarily committed to the acquisition and demolition by the City of Vidor. The project has a positive Benefit-Cost Ratio of 1.7. FEMA will award \$429,159.20 in federal funds with a local cost share requirement of \$0.00 for a total project cost of \$429,159.20.