

## Flood Intended Use Plan

*State Fiscal Year 2020*



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## Program Overview

The 86th Texas Legislature passed several bills entrusting the Texas Water Development Board (TWDB) with new responsibilities related to funding flood mitigation projects and planning for future flood events. On November 5, 2019, Texas voters approved Proposition 8, a constitutional amendment providing for the creation of the Flood Infrastructure Fund (FIF) to assist in the financing of drainage, flood mitigation, and flood control projects, including:

- planning and design activities;
- work to obtain necessary regulatory approvals; and
- construction and/or implementation of flood projects.

Administrative rules for the flood mitigation project funding are found in 31 Texas Administrative Code (TAC) Part 10, Chapter 363. This Intended Use Plan contains the eligibility criteria, structure of financial assistance, including any subsidies, and criteria to be used by the executive administrator in prioritization of applications.

## Eligible Applicants

Political subdivisions are eligible to apply for financial assistance for flood mitigation projects. This includes cities, counties, and any district or authority created under [Article III, Section 52](#) or [Article XVI, Section 59](#) of the Texas Constitution.

Specific to Category 1, "Flood Protection Planning for Watersheds" only, eligible political subdivision applicants includes a city, county, district or authority created under Article III, Section 52, or Article XVI, Section 59, of the Texas Constitution, any other political subdivision of the state, any interstate compact commission to which the state is a party, and any nonprofit water supply corporation created and operating under Chapter 67.

## Eligible Projects

FIF rules allow for a wide range of flood projects, including structural and nonstructural projects as well as nature-based solutions. Examples include the following:

### Planning Phase Activities

- Preliminary engineering
- Project design
- Feasibility assessments
- Coordination and development of regional projects
- Obtaining regulatory approvals
- Hydraulic and hydrologic studies

### Construction/Rehabilitation Phase Activities

- Drainage infrastructure (channels, ditches, ponds, pipes, etc.)
- Flood control infrastructure
- Flood mitigation infrastructure
- Retention basins

- Detention ponds
- Sustainable infrastructure
- Nonstructural flood mitigation
- Development of or amendments to flood related codes
- Permeable pavement
- Erosion control
- Levees
- Pump stations
- Rehabilitation of existing infrastructure taking into consideration methods of improving resiliency, not including costs associated with current or future operations and maintenance activities
- Property acquisitions determined to be the best solution for highest-risk properties
- Restoration of riparian corridors, floodplains, coastal areas, wetlands, etc.
- Natural erosion and runoff control
- Reasonable amount of improvements to ancillary systems directly related to the project as determined by TWDB

#### Other Eligible Activities

The assistance is also able to support activities that may not traditionally be thought of as flood projects. These include:

- Warning systems
- Stream gages
- Educational campaigns
- Crossing barriers

The list of activities eligible to receive assistance is too long to accurately depict in this document, and applicants are encouraged to discuss the eligibility of prospective requests with TWDB staff.

#### Minimum Standards

Items on this list constitute minimum eligibility criteria that must be met by all projects seeking funding consideration:

1. The benefit/cost ratio of the proposed project.

It is required that, for all construction-oriented (i.e., structural flood improvements, elevations, and buyouts) abridged applications to be eligible, both the costs and the benefits of proposed projects must be quantified and reported. The benefits may include a variety of items including, but not limited to, property losses avoided, risk of injuries or fatalities prevented, and economic disruption or environmental losses avoided.

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A. A benefit-cost ratio (BCR) must be reported within the abridged application as a number with at least one decimal place (e.g. "1.1"). Additionally, the BCR will include:

- (i) A description of the BCR methodology used including the specific analysis tool and version used;
- (ii) A list of the key assumptions/parameters used to generate the BCR must be provided; and
- (iii) A detailed BCR calculation, to be provided upon TWDB request.

B. A BCR greater than 1.0 is generally preferred to justify investments in the construction of flood projects. **If the reported BCR of the proposed project is less than 1.0**, the applicant must also provide a detailed explanation for why the applicant considers the project to be justified, including a discussion of the primary benefits of the project, if any, that could not be quantified and were therefore not included in the BCR calculation.

There are no specific BCR tools that must be used in determining the BCR. Links to these two, free tools may be found at:

<https://www.fema.gov/benefit-cost-analysis>  
<https://www.hec.usace.army.mil/software/hec-fda/>

BCRs are not required to be provided for eligible studies that are aimed at identifying potential projects, for example, related to: identification of flood risk, flood modeling and inundation mapping studies, population or buildings and other structures at risk of flooding. Nor are BCRs required for Flood Early Warning Systems or Flood Response Plans.

The following information is required in the abridged applications:

A. For non-study funding applications:

- (i) the current flood risk in the project area and
- (ii) the revised flood risk of the project area if the project is constructed/implemented.

B. For all non-study funding applications, the level of protection (i.e., 4%, 2%, 1% annual chance storm events) provided by the proposed project must be reported. For Flood Early Warning System (FEWS) projects, this would include the flood-hardening level of the FEWS system (i.e., FEWS equipment able to withstand 2% or 1% annual chance storm events etc.).

C. For low water crossing construction-oriented funding applications, the following information must be provided: roadway classification; traffic count; detour distances; accident data; inundation risk (including depths); and velocities during 50%, 10%, 4%, 2%, 1% and 0.02% annual chance storm events.

D. For FEWS construction-oriented funding applications, quantitative information on the population impacted must be provided.

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E. For all construction-oriented funding applications, applicant must identify and explain the responsible party for operation and maintenance (O&M) of the infrastructure and from what funding source O&M will be provided.

### 2. Required Memoranda of Understanding:

If the project is a flood control project, as defined by 31 TAC § 363.402(3), and the project watershed is partially located outside the political subdivision that is filing the application, the applicant must submit a memorandum of understanding (MOU) relating to management of the project watershed. The MOU must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. The MOU may include all governing bodies of all political subdivisions required to sign, or the applicant may develop individual MOUs with each political subdivision or groups of political subdivisions within the watershed. All of the required MOUs must relate to the management of the watershed. If individual MOUs are submitted, they must be consistent in the management of the watershed and cannot conflict on that issue.

Abridged application: the applicant must submit a list of all eligible political subdivisions that will be required to approve and sign an MOU and a certification that it has provided a copy of the proposed MOU and an adequately detailed description of the proposed project to all eligible political subdivisions on the list. A copy of an TWDB-approved Memorandum of Understanding template is included as Attachment 2, but applicants may also use their own template if approved by the Executive Administrator.

Complete application: the applicant must submit a Memorandum of Understanding approved and signed by all governing bodies of eligible political subdivisions located in the project watershed.

Note: this minimum standard on MOUs does not apply to Category 1 projects.

3. An affidavit that the applicant has acted cooperatively with other political subdivisions (as defined in 31 TAC § 363.402(2)) to address flood control needs in the area in which the eligible political subdivisions are located; and all eligible political subdivisions (as defined in 31 TAC § 363.402(2)) substantially affected by the proposed flood project have participated in the process of developing the proposed flood project, recognizing that providing adequate notice and ample opportunity to any such eligible political subdivision that elects not to participate further would fulfill this requirement, provided evidence of notification is included in the application. The affidavit must be provided with the complete application, not the abridged application.
4. The funding request must not include redundant funding for activities already performed and/or funded through another source.
5. The area to be served by the proposed project must have floodplain ordinances or orders, as applicable, in place and the appropriate entity must certify that it is currently enforcing floodplain management

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standards at least equivalent to National Flood Insurance Program (NFIP) minimum standards, but may exceed the NFIP minimum standard. The only exception to the certification is an entity that is requesting FIF funding to fulfill additional requirements for participation in the National Flood Insurance Program.

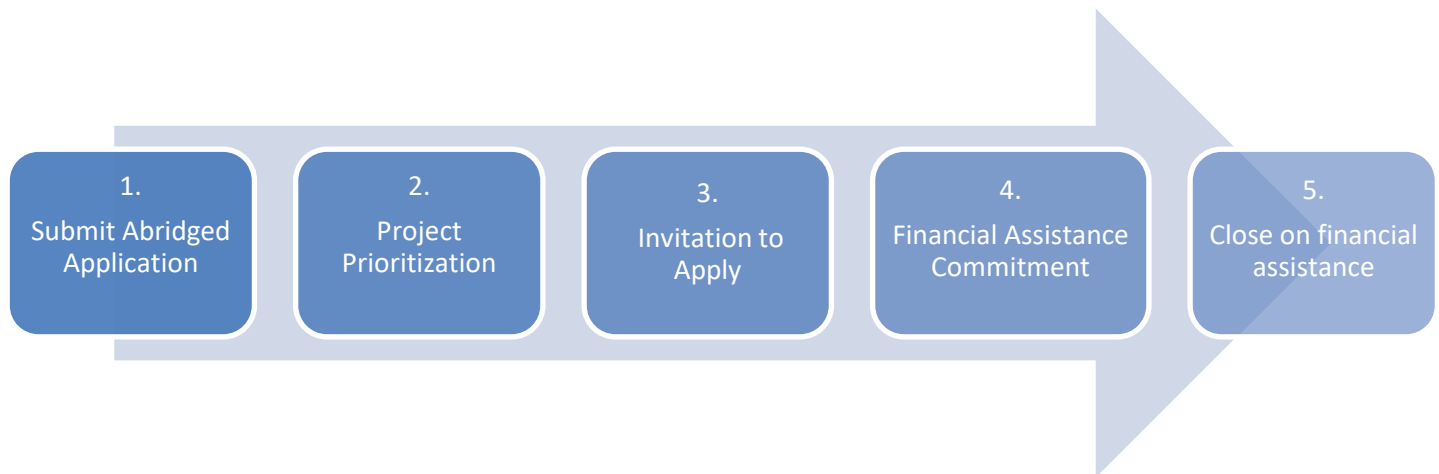
6. The proposed project must be developed using the best/most recent available data.
7. Applicants for construction funds must be able to document that they:
  - A. planned for operations and maintenance costs associated with the proposed facilities, (note: operations and maintenance are not eligible costs under this program) and
  - B. considered possible floodwater capture techniques that could be associated with the proposed project for water supply purposes.

## SFY 2020 Project Solicitation

Funding for flood mitigation projects operates on an annual funding cycle with a two-stage application process. Projects are prioritized based on information submitted in the abridged application and entities are then invited to submit complete financial assistance applications based on Board prioritization and its determination of funding availability.

### Process

The anticipated process for the inaugural funding cycle is as follows:



### Step 1: Abridged Application

The abridged application is a tool designed to help the TWDB collect the information necessary to prioritize projects and determine the best source of funding without requiring every interested entity to fill out a complete TWDB financial assistance application. See Attachment 1 for a copy of the SFY 2020 Flood Abridged Application.

### Step 2: Prioritization

TWDB staff prioritize projects according to the IUP and submit to the Board for review and consideration.



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### Step 3: Invitation

After prioritization is approved and funding allocations established, the TWDB will invite selected applicants to submit complete applications for financial assistance. The application is a TWDB document that asks for the detailed engineering, legal, fiscal, and other information necessary to make a funding recommendation.

### Step 4: Financial Assistance Commitments

After reviewing each complete application, TWDB staff will make a funding recommendation to be considered by the Board in a public meeting.

### Step 5: Borrower Closings

Entities in receipt of financial assistance commitments will have up to six months to close on their financing, unless an exception for cause is specifically recommended by the Executive Administrator and approved by the TWDB.

### Year-Round Submittals

Abridged Applications may be submitted for consideration at any time throughout the year and considered if funding is still available. However, only abridged applications received by the initial deadline in SFY 2020 of June 15, 2020 will be considered in the initial prioritization. The Flood IUP may be amended as necessary in accordance with program rules.



## Financial Assistance Categories and Eligibilities

Project Category	Financing *	Eligibility
<p><u>CATEGORY 1</u> Flood Protection Planning for Watersheds ("flood control planning" before a flood event)</p>	<p><b>1. Income and federal disaster declaration:</b> If the AMHI of the study area <math>\leq</math> 50% of the state-wide AMHI and the project area was the subject of a flood-related federal disaster declaration within the past 5 years – <b>100% grant</b>; or</p> <p><b>2. Income only:</b> If the AMHI of the study area <math>\leq</math> 75% of the state-wide AMHI - <b>90% grant with 10% local share</b> of the total cost to political subdivisions; or</p> <p>If the AMHI of the study area <math>&gt;</math> 75% and <math>\leq</math> 125% of the state-wide AMHI - <b>75% grant with 25% local share</b> of the total cost to political subdivisions; or</p> <p>If the AMHI of the study area <math>&gt;</math> 125% of the state-wide AMHI - <b>50% grant with 50% local share</b> of the total cost to political subdivisions.</p> <p>In-kind services may be substituted for any part of the local share, if such services are directly in support of the planning effort, are fully explained and documented in the complete application, and approved as part of the TWDB commitment.</p>	<p>Conduct planning of entire watersheds no smaller than Hydrologic Unit Code 10-digit (HUC-10) to better inform the development of strategies using structural and nonstructural measures before a flood event, such as determining and describing problems from or related to flooding, identifying and planning solutions to flooding problems, and estimating the benefits and costs of these solutions.</p> <p>All activities under this category must be considered "flood control planning" as defined in Texas Water Code Section 15.405.</p> <p>It does <u>not</u> include the actual preparation of a Federal Emergency Management Agency Flood Insurance Rate Map.</p>

Project Category	Financing *	Eligibility
<p><u>CATEGORY 2</u> Planning, Acquisition, Design, Construction, Rehabilitation (All combinations of these activities)</p>	<p>Loans with interest rate of 0%; or</p> <p><b>Grants</b> based on the following method.</p> <p>The <u>sum</u> of all qualifying grant percentages below will represent the overall grant allocation. The remainder of funds requested will be provided in the form of a zero interest (0%) loan.</p> <p><b>1. Outside of MSA:</b></p> <p>If the project is entirely located outside of an MSA, then 10% grant.</p> <p><b>2. Income:</b></p> <p>AMHI <math>\leq</math> 85% of the state-wide AMHI are eligible to receive 10% grant, or</p> <p>AMHI <math>\leq</math> 75% of the state-wide AMHI are eligible to receive 25% grant, or</p> <p>AMHI <math>\leq</math> 65% of the state-wide AMHI are eligible to receive 30% grant, or</p> <p>AMHI <math>\leq</math> 50% of the state-wide AMHI are eligible to receive 40% grant.</p> <p><b>3. Unemployment Rate:</b></p> <p>If the unemployment rate exceeds the state-wide rate, then calculate as the unemployment rate / state-wide unemployment rate X 2.5%, then round up to nearest integer (Up to 5% maximum grant).</p>	<p>Includes nonstructural and nature-based solutions <u>that do not meet the requirements of Category 4.</u></p>

Project Category	Financing *	Eligibility
	<p><b>4. Population decline %:</b></p> <p>If the population has declined, then calculate as Prior population less Current population / Prior Population as a percentage, then round up to nearest integer (Up to 5% maximum grant).</p> <p><b>5. Rural Applicant:</b></p> <p>If meets the definition of "Rural" applicant, then 5% grant.</p> <p><b>6. Green / Nature-Based:</b></p> <p>If 30% of total project costs are considered Green or Nature-Based, then 5% grant, <u>provided</u> either the project is located outside of an MSA <u>or</u> it meets one of the income, unemployment rate, population decline, or rural applicant qualifiers above.</p> <p>Note: It is not necessary to meet one of the AMHI thresholds to obtain the grant funding. Applicants are eligible for grant funding for any of the qualifiers the project meets. (Note: To qualify for the Green / Nature-Based option, the project must be located outside of an MSA or meet one of the income, unemployment rate, declining population, or rural applicant qualifiers).</p>	

Project Category	Financing *	Eligibility
<p><u>CATEGORY 3</u> Federal Award Matching Funds</p>	<p>Loans with interest rate of <b>0%</b>; or</p> <p><b>Grants</b> for a portion of the applicant's required federal match amount based on the following method.</p> <p>The <u>sum</u> of all qualifying grant percentages below will represent the overall grant allocation.</p> <p>However, regardless of the number of grant qualifiers, the <b>total grant % may not exceed 90% grant, with 10% local share.</b></p> <p><b>1. Outside of MSA:</b></p> <p>If the project is entirely located outside of an MSA, then 10% grant.</p> <p><b>2. Income:</b></p> <p>AMHI <math>\leq</math> 85% of the state-wide AMHI are eligible to receive 40% grant, or</p> <p>AMHI <math>\leq</math> 75% of the state-wide AMHI are eligible to receive 55% grant, or</p> <p>AMHI <math>\leq</math> 65% of the state-wide AMHI are eligible to receive 60% grant, or</p> <p>AMHI <math>\leq</math> 50% of the state-wide AMHI are eligible to receive 70% grant.</p> <p><b>3. Unemployment Rate:</b></p> <p>If the unemployment rate exceeds the state-wide rate, then calculate as the unemployment rate / state-wide unemployment rate X 2.5%, then round up to nearest integer (Up to 5% maximum grant).</p>	<p>Must provide documentation of an existing federal award contingent on availability of matching funds.</p>

Project Category	Financing *	Eligibility
	<p><b>4. Population decline %:</b></p> <p>If the population has declined, then calculate as Prior population less Current population / Prior Population as a percentage, then round up to nearest integer (Up to 5% maximum grant).</p> <p><b>5. Rural Applicant:</b></p> <p>If meets the definition of "Rural" applicant, then 5% grant.</p> <p><b>6. Green / Nature-Based:</b></p> <p>If 30% of total project costs are considered Green or Nature-Based, then 5% grant, <u>provided</u> either the project is located outside of an MSA <u>or</u> it meets one of the income, unemployment rate, population decline, or rural applicant qualifiers above.</p> <p>Note: It is not necessary to meet one of the AMHI thresholds to obtain the grant funding. Applicants are eligible for grant funding for any of the qualifiers the project meets. (Note: To qualify for the Green / Nature-Based option, the project must be located outside of an MSA or meet one of the income, unemployment rate, population decline or rural applicant qualifiers).</p>	

Project Category	Financing *	Eligibility
<p><u>CATEGORY 4</u> Measures <u>immediately</u> effective in protecting life and property</p>	<p>Loans with interest rate of <b>0%</b>; or</p> <p><b>Grants</b> based on the following method.</p> <p>The <u>sum</u> of all qualifying grant percentages below will represent the overall grant allocation. The remainder of funds requested will be provided in the form of a zero interest (0%) loan.</p> <p>Regardless of the number of grant qualifiers, <b>the total grant % may not exceed 90% grant.</b></p> <p><b>1. Outside of MSA:</b></p> <p>If the project is entirely located outside of an MSA, then 10% grant.</p> <p><b>2. Income:</b></p> <p>AMHI <math>\leq</math> 85% of the state-wide AMHI are eligible to receive 40% grant, or</p> <p>AMHI <math>\leq</math> 75% of the state-wide AMHI are eligible to receive 55% grant, or</p> <p>AMHI <math>\leq</math> 65% of the state-wide AMHI are eligible to receive 60% grant, or</p> <p>AMHI <math>\leq</math> 50% of the state-wide AMHI are eligible to receive 70% grant.</p> <p><b>3. Unemployment Rate:</b></p> <p>If the unemployment rate exceeds the state-wide rate, then calculate as the unemployment rate / state-wide unemployment rate X 2.5%, then round up to nearest integer (Up to 5% maximum grant).</p>	<p>Examples include:</p> <ul style="list-style-type: none"> <li>• Warning systems</li> <li>• Crossing barriers</li> <li>• Public education and outreach</li> <li>• Reverse 911 systems</li> <li>• Dam Emergency Action Plans</li> </ul>

Project Category	Financing *	Eligibility
	<p><b>4. Population decline %:</b></p> <p>If the population has declined, then calculate as Prior population less Current population / Prior Population as a percentage, then round up to nearest integer (Up to 5% maximum grant).</p> <p><b>5. Rural Applicant:</b></p> <p>If meets the definition of "Rural" applicant, then 5% grant.</p> <p><b>6. Green / Nature- Based:</b></p> <p>If 30% of total project costs are considered Green or Nature-Based, then 5% grant, <u>provided</u> either the project is located outside of an MSA <u>or</u> it meets one of the income, unemployment rate, population decline, or rural applicant qualifiers above.</p> <p>Note: It is not necessary to meet one of the AMHI thresholds to obtain the grant funding. Applicants are eligible for grant funding for any of the qualifiers the project meets. (Note: To qualify for the Green / Nature-Based option, the project must be located outside of an MSA or meet one of the income, unemployment rate, population decline or rural applicant qualifiers).</p>	



**Examples of the Grant Percentage Calculations are found in Attachment 3**

**Definitions used in Grant Percentage Calculations**

**Annual Median Household Income** – from U.S. Census Bureau 2014-2018 American Community Survey (ACS) 5-year estimates. For Category 1: the Study area AMHI, using a weighted average based on population, for Categories 2 through 4: the project area AMHI, using a weighted average, all based on population in each U.S. Census Bureau geographic area used.

**Unemployment Rate** – for the project area from U.S. Census Bureau 2014-2018 ACS 5-year estimates using a weighted average based on population in each U.S. Census Bureau geographic area used.

**Prior Population** – for the project area from U.S. Census Bureau 2010-2014 ACS 5-year estimates using the sum of the population in each U.S. Census Bureau geographic area used.

**Current Population** – for the project area from U.S. Census Bureau 2014-2018 ACS 5-year estimates using the sum of the population in each U.S. Census Bureau geographic area used.

**Metropolitan Statistical Area (MSA)** - an area so designated by the United States Office of Management and Budget. A list is available here: [https://www.twdb.texas.gov/financial/programs/FIF/doc/MSA\\_List.xlsx](https://www.twdb.texas.gov/financial/programs/FIF/doc/MSA_List.xlsx)

**Rural applicant** – an applicant as defined in the “Prioritization” section of this IUP.

**Green** – may include establishment or restoration of permanent riparian buffers, floodplains, wetlands, or other vegetated buffers or soft bioengineered stream banks. May include projects to manage wet weather and restore natural hydrology by infiltration, evapotranspiration, or harvesting and using stormwater. May include green stormwater infrastructure for transportation rights-of-way or parking areas. This is not an exhaustive list. The final decision on green projects will be made by TWDB.

**Nature-Based** - projects that use nature-based features to protect, mitigate, or reduce flood risk as determined by TWDB.

Note: U.S. Census Bureau 2014-2018 ACS 5-year estimates and U.S. Census Bureau 2010-2014 ACS 5-year estimates may be found on the TWDB website here:

[https://www.twdb.texas.gov/financial/programs/FIF/doc/US\\_Census\\_Bureau\\_ACS\\_data.xlsx](https://www.twdb.texas.gov/financial/programs/FIF/doc/US_Census_Bureau_ACS_data.xlsx)

or the required data may be obtained directly from the U.S. Census Bureau here:

<https://data.census.gov/cedsci/advanced>

**\* Loans with an interest rate of 0% is a funding option available in all project categories.**

**Grants – the TWDB may limit the amount of funds available for grants (see “Allocation of Funds”).**

## Categories

Both loans and grants are available, depending on the activity funded and the AMHI of the applicant entity. Eligible activities are organized into four categories. The complete application may include requests for financial assistance for a combination of activities from Categories 1-4.

**Category 1** – Conduct planning of entire watersheds no smaller than Hydrologic Unit Code 10-digit (HUC-10) to better inform the development of strategies using structural and nonstructural measures before a flood event, such as determining and describing problems from or related to flooding, identifying and planning solutions to flooding problems, and estimating the benefits and costs of these solutions.

All activities under this category must be considered “flood control planning” as defined in Texas Water Code Section 15.405. This category does not include the actual preparation of a Federal Emergency Management Agency Flood Insurance Rate Map.

Political subdivisions of the state, along with other entities, are eligible to apply for funds to support Category 1 projects, including some entities that are not eligible for other categories. (See “Eligible Applicants” section for details)

Note: the minimum standard requiring an MOU does not apply to this category of projects. If the project is undertaken to achieve NFIP compliance, the minimum standard requiring enforcement of standards at least equivalent to NFIP minimum standard does not apply.

Category 1 Notice Requirements – Prior to the complete application, but not prior to the submitting the abridged application, applicants must notify all cities, counties, non-profit water supply corporations, regional planning agencies, regional water planning groups, and all districts and authorities created under the Texas Constitution, Article III, Chapter 52, or Article XVI, Chapter 59, in the planning area by certified mail that an application for planning assistance is being filed with the TWDB. The notice shall include the name and address of the applicant and the name of the applicant's manager or official representative; and brief description of the planning area; the purposes of the planning project; the TWDB's name, address, and the name of a contact person with the TWDB; a statement that any comments must be filed with the TWDB Executive Administrator and the applicant within 30 days of the date on which the notice is mailed. As part of the complete application, and prior to action by the TWDB, the applicant must provide one copy of the notice sent to affected political subdivisions, a list of the political subdivisions to which notice was sent, and the date on which the notice was sent. The TWDB may not act on such application before the end of the 30-day notice period unless all political subdivisions to which notice is required to be sent agree in writing to waive the notice period.

Affidavit – As part of the complete application, an applicant under Category 1 must provide TWDB an affidavit attesting to the following:

(A) that the applicant has acted cooperatively with other political subdivisions (as defined in 31 TAC § 363.402(2)) to address flood control needs in the area in which the eligible political subdivisions are located; and

(B) that all eligible political subdivisions (as defined in 31 TAC § 363.402(2)) substantially affected by the proposed flood project have participated in the process of developing the proposed flood project, recognizing that providing adequate notice and ample opportunity to any such eligible political subdivision that elects not to participate further would fulfill this requirement, provided evidence of notification is included in the application.

Category 1 applications will be evaluated by the TWDB considering, at a minimum, the following criteria: (A) degree to which proposed planning duplicates previous or ongoing flood plans; (B) project service area is regional versus local; (C) history of flooding in project area; (D) participation in National Flood Insurance Program; (E) project organization and budget; (F) scope and potential benefits of project; and (G) the relative need of the political subdivision for the money, giving greater importance to a county that has a median household income that is not greater than 85 percent of the median state household income.

**Category 2** - (a) Planning, Acquisition, and Design includes activities related to planning, land acquisition, and/or design of the project. Planning includes feasibility analyses, detailed hydraulic and hydrological studies, activities to obtain regulatory approval, and coordination of other related work; and (b) Construction, Rehabilitation, and Implementation includes construction and rehabilitation activities, but may also include demolition, decommissioning, and other activities not necessarily thought of as construction. Rehabilitation must take into consideration methods of improving resiliency.

Minimum standards require applicants requesting funds for Category 2 to state that they have:

- For construction and/or rehabilitation projects, planned for operations and maintenance costs resulting from the proposed project (because operations and maintenance are not eligible costs under this program);
- evaluated possible floodwater capture techniques that may be implemented; and
- coordinated with other entities in the watershed.

**Category 3** – for communities that have received a federal award for flood-related activities contingent on the availability of local matching funds. Grant funds may be provided for a portion of the applicant’s required federal match amount.

**Category 4** – projects are those that can be implemented quickly and are understood to be immediately effective in protecting life and property. Eligible Category 4 projects include warning systems, crossing barriers, gages, and public education and outreach. This category does not include large scale, major planning, acquisition, and design and/or construction/rehabilitation-type projects. TWDB does not maintain an exhaustive list of activities eligible under Category 4, and applicants are encouraged to discuss possible Category 4 proposals with TWDB staff.

## Allocations of Funds

The TWDB may limit the amount of grant funding and loan financing available in each category and in total as well as the total amount of grant or loan funding provided to a project or applicant. The TWDB may allocate funds to specific categories and rank separately as appropriate.

Since this is the inception of the program, the TWDB has not yet determined any specific funding limits but anticipates doing so at a later date. It does not anticipate allocating a large proportion of the total available grant and/or loan funds under this program to a single project or applicant.

The TWDB may bypass a higher scoring project, if necessary, to fulfill these allocation goals.

## Abridged Applications

Each Abridged Application should describe proposed projects from one category described above. Applicants may submit multiple Abridged Applications if they seek to propose projects from multiple categories in a single prioritization cycle.

## Prioritization and Selection Process

The Board will approve prioritization of projects and the TWDB will invite entities to submit complete financial assistance applications.

The TWDB may consider and allocate funding for any proposed project, including in cases that involve bypassing a higher-ranking project. The TWDB may allocate funding to the highest rank projects in a particular category regardless of the score.

## Prioritization Criteria

Criteria	Points	Methodology/Notes
<p>Priority Projects</p> <p>Flood Protection Planning for Watersheds (Category 1 projects)</p>	<p>25 if the county has an AMHI that is <math>\leq 85\%</math> the state-wide AMHI, or</p> <p>22 – all other projects</p>	<p>Points awarded to all projects falling under Category 1.</p> <p>For projects contained in multiples counties, used the weighted average AMHI based on the current populations in each county.</p>
<p>Priority Projects</p> <p>Measures immediately effective in protecting life and property (Category 4 projects)</p>	20	Points awarded to all projects falling under Category 4.
<p>Rural Applicant</p> <p>a) All entities within the project benefit area are outside MSAs and have populations &lt;10,000; or</p> <p>b) a district or municipality with a service area of 10,000 or less in population; or</p> <p>c) a county in which no urban area exceeds 50,000 in population.</p>	<p>Yes = 12</p> <p>No = 0</p>	Verified with U.S. Census Bureau 2014-2018 American Community Survey (ACS) 5-year estimates.
<p>Emergency Need Due to Recent or Imminent Failure or Recent Flood-related Disaster Declarations.</p> <p>A need exists for flood hazard mitigation actions to address a clear and imminent threat to public health, safety, and welfare or property due to recent or imminent failure of existing flood infrastructure, or flood-related federal or state disaster declarations within the most recent 36 months that would be significantly mitigated by the proposed project. TWDB would consider “failure” to be the inability to perform a normal function that would result in a significant threat to public health, safety, environment, or welfare.</p>	<p>Recent failure = 10, or</p> <p>Recent flood-related disaster declaration for the proposed project area = 10 points, or</p> <p>Imminent failure = 5, or</p> <p>N/A = 0</p>	Requires documentation or declarations from the applicant.

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Criteria	Points	Methodology/Notes
<p>Distributed Benefits</p> <p>Is the project expected to directly benefit or include the active participation of political subdivisions other than the applicant?</p>	<p>Yes = 10 No = 0</p>	<p>Requires documentation supporting anticipated shared benefits and/or planned contributions by the other entities.</p>
<p>Estimated Completion Date</p>	<p>Within 18 months = 10, or Within 36 months = 5, or All others = 0</p>	<p>Based on the amount of time, as determined by TWDB, before all project phases are anticipated to be complete.</p>
<p>Additional Criteria for PAD and Construction or Construction Projects Only: Water Supply Benefit</p> <p>For a rehabilitation project to receive points the project must result in an integral, reliable, and quantifiable water supply benefit to a specific water user group with an identified need.</p> <p>Project is anticipated to result in an integral, reliable, and quantifiable water supply benefit to a specific water user group with an identified need. May include groundwater recharge benefits.</p>	<p>Yes = 10 No = 0</p>	<p>TWDB staff may request supporting documentation.</p>

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Criteria	Points	Methodology/Notes
<p>Additional Criteria for PAD and Construction or Construction Projects Only: Floodplain Impacts</p> <p>For a rehabilitation project to receive points the project must increase the resiliency of the system being rehabilitated in a manner that would reduce the number of structures located in a floodplain.</p> <p>Number of structures that are anticipated to no longer be located in a floodplain due to the proposed project's impact on floodplain characteristics.</p>	<p>Scores are assigned relative to the responses for other proposed projects.</p> <p>Top 25% of PAD and Construction or Construction Projects Only: 12, or Top 50%: 9, or Top 75%: 6 , or Bottom 25%: 3</p>	
Planning, Acquisition, and Design only (no construction/rehabilitation funds requested)	12	
Non-structural flood mitigation elements constitute at least 20 percent of the total project costs	5	Non-structural elements must constitute at least 20% of the total project costs.
<p><u>TIEBREAKER</u> <u>Social Vulnerability Index (SVI)</u></p> <p>The SVI uses 15 U.S. Census Bureau variables to help local officials identify communities that may need support in preparing for hazards or recovering from disaster. SVI values range from 0 to 1.</p>	The tie is broken in favor of the project with the highest SVI.	<p>Average SVI of the benefitting area, verified using online SVI map: <a href="https://svi.cdc.gov/map.html">https://svi.cdc.gov/map.html</a></p> <p>May use the Census tract or County data depending on the size and shape of the benefitting area.</p>



## Loan Terms

In general, the TWDB will establish loan terms appropriate for the type of activities being financed. Specifically, for SFY 2020, the following terms will apply:

1. The interest rate on loans will be zero percent;
2. For construction projects, financing may be offered for a term of up to 30 years, provided it may not exceed the projected useful life of the project, and principal payments will commence no later than 18 months after estimated completion of project construction;
3. For planning, acquisition, and/or design only projects, financing may be offered a term of up to 10 years and principal payments will commence no later than 18 months after estimated completion of the last activity phase being financed;
4. No additional deferrals of principal will be offered in SFY 2020;
5. Level principal repayments will be required; and
6. The recipient of a loan must establish an adequate source of revenue and/or demonstrate adequate security for the repayment of the loan as it becomes due.

## Flood Information Clearinghouse Committee

Responses to questions 1 through 7, along with other information included in this abridged application, will be shared with the Flood Information Clearinghouse Committee (FLICC), a new cooperative effort between the TWDB, General Land Office, Texas Division of Emergency Management, and other state and federal agencies that administer flood mitigation financial assistance programs. After review by the FLICC, the applicant may be advised of other available source(s) of funding.

## Attachment 1: SFY 2020 Flood Project Abridged Application

Note: Please do not print and fill out a copy of this attachment to the IUP to use as your abridged application submission. Instead, please complete the standalone Microsoft Word version of the abridged application provided here: [FIF Abridged Application](#). Submit a completed Abridged Application along with all attachments to [FIF@twdb.texas.gov](mailto:FIF@twdb.texas.gov). The submission due date is **June 15, 2020 at 5 P.M.**

By submitting this Abridged Application, you understand and confirm that the information provided is true and correct to the best of your knowledge and further understand that the failure to submit a complete Abridged Application by the stated deadlines, or to respond in a timely manner to additional requests for information, may result in the withdrawal of the Abridged Application without review.

### GENERAL INFORMATION

Entity Name	
Entity Type	
<b>Contact</b> Who should TWDB contact with questions during the review of this submission?	<b>Name</b>
	<b>Title</b>
	<b>Phone</b>
	<b>Email</b>

### PROJECT INFORMATION

Project Name			
Amount Requested from TWDB	\$		
Financing from Federal Sources	\$		
(if receiving federal funds, include the federal agency and program)			
Financing from Other Sources	\$		
Total Project Cost (Check here if requesting loan funds only <input type="checkbox"/> )	\$		
Category Applied For			
<input type="checkbox"/> <u>Category 1</u> Flood Protection Planning for Watersheds	<input type="checkbox"/> <u>Category 2</u> Planning, Acquisition, and Design, Construction / Rehabilitation (All combinations)	<input type="checkbox"/> <u>Category 3</u> Federal Award Matching Funds	<input type="checkbox"/> <u>Category 4</u> Measures immediately effective in protecting life and property

## MINIMUM STANDARDS

Only projects that satisfy all minimum standards will be included in the prioritization.	<input type="checkbox"/>	1. For applicable projects, the benefit-cost ratio of the proposed project is >1.0 or an explanation is provided.
	<input type="checkbox"/>	2. For applicable projects, a proposed MOU and a project description was provided to all eligible political subdivisions and the list of political subdivisions that received this information is attached to the abridged application.
	<input type="checkbox"/>	3. The applicant has acted cooperatively with other political subdivisions to address flood control needs in the area in which the eligible political subdivisions are located; and all eligible political subdivisions substantially affected by the proposed flood project have participated in the process of developing the proposed flood project.
	<input type="checkbox"/>	4. The funding request does not include redundant funding for activities already performed and/or funded through another source.
	<input type="checkbox"/>	5. a. The area to be served by the proposed project has floodplain ordinances in place and is currently enforcing floodplain management standards at least equivalent to National Flood Insurance Program (NFIP) minimum standards. OR
	<input type="checkbox"/>	5. b. Requesting funds to fulfill additional requirements for participation in the National Flood Insurance Program.
	<input type="checkbox"/>	6. The proposed project was developed using the best and most recent available data.
	<input type="checkbox"/>	7. a. (Construction applicants only) Operations and maintenance costs associated with proposed facilities have been considered.
	<input type="checkbox"/>	7. b. (Construction applicants only) Floodwater capture techniques have been considered.

## DESCRIPTION OF PROPOSED PROJECT

## INFORMATION FOR GRANT FUNDING

Provide information for the applicable level of grant funding:

Category 1:

Study area AMHI (weighted average based on population)-\$\_\_\_\_\_

(Optional – attached a copy of federal disaster declaration – flood related within the last 60 months)

Categories 2, 3, and 4

- For consideration of being outside MSA: Project is entirely located outside of an MSA - Yes \_\_\_\_ or No \_\_\_\_
- Project area AMHI (weighted average based on population)-\$\_\_\_\_\_
- Project area Unemployment Rate (weighted average based on population)-\_\_\_\_\_%
- Project area Population Decline (if any) (based on sum of the population in the project areas)-\_\_\_\_\_%
- For consideration of being an Rural Applicant: All entities within the project benefit area are outside MSAs and have populations <10,000; or the applicant is a district or municipality with a service area of 10,000 or less in population; or located in a county in which no urban area exceeds 50,000 in population - Yes \_\_\_\_ or No \_\_\_\_
- For consideration of being a Green or Nature-Based project: Percentage of total project costs that are considered green or nature-based- \_\_\_\_% (attach the calculation)

**Note: If requesting grant funds that rely on a calculation of the AMHI, Unemployment Rate, or Population Decline then attach the calculation of the weighted average amounts for the project area based on the applicable U.S. Census Bureau geographic areas such as County, Place (City), Census Tract, or Block Group using the ACS data sources described in the IUP.**

## PRIORITIZATION CRITERIA

<p><b>Rural Applicant</b></p> <p>All entities within the project benefit area are (a) outside MSAs and have populations &lt;10,000; or (b) a district or municipality with a service area of 10,000 or less in population; or (c) a county in which no urban area exceeds 50,000 in population.</p>	<div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> Yes             <input type="checkbox"/> No         </div> <p><i>(Please attach a list of all entities in the project benefit area and U.S. Census Bureau 2014-2018 American Community Survey (ACS) 5-year estimates data indicating the population of each area.)</i></p>
<p><b>Emergency Need Due to Recent or Imminent Failure or recent Flood-related Disaster Declarations.</b></p> <p>A need exists for flood hazard mitigation actions to address a clear and imminent threat to public health, safety, and welfare or property due to recent or imminent failure of existing flood infrastructure or flood-related federal or state disaster declarations within the most recent 36 months that would be significantly mitigated by the proposed project.</p>	<div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/>              Yes, due to a recent failure.         </div> <div style="text-align: center;"> <input type="checkbox"/>              Yes, due to imminent failure.         </div> <div style="text-align: center;"> <input type="checkbox"/>              Yes, recent flood-related disaster declaration for the proposed project area         </div> <div style="text-align: center;"> <input type="checkbox"/>              No         </div> </div>
<p><b>Distributed Benefits</b></p> <p>Is the project expected to directly benefit or include the active participation of jurisdictions other than the applicant?</p>	<div style="display: flex; justify-content: space-between;"> <input type="checkbox"/> Yes             <input type="checkbox"/> No         </div>

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<p><b>Estimated Completion Date</b></p> <p>When would all project phases expected to be complete, assuming funds for the project are closed on in Fall of the current year?</p>	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <input type="checkbox"/>              Within 18 months of closing           </div> <div style="text-align: center;"> <input type="checkbox"/>              Within 36 months of closing           </div> <div style="text-align: center;"> <input type="checkbox"/>              Other           </div> </div>	
<p><b>Construction Projects Only (Including PAD plus Construction combined)</b></p> <p>Project is anticipated to result in an integral, reliable, and quantifiable water supply benefit to a specific water user group with an identified need. May include groundwater recharge benefits.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p><b>Construction Projects Only (Including PAD plus Construction combined)</b></p> <p>How many structures are anticipated to be removed from floodplains as a result of the proposed project?</p>	<p>Click or tap here to enter text.</p>	
<p><b>Non-structural flood mitigation elements</b></p> <p>Non-structural flood mitigation elements constitute at least 20 percent of the total project costs.</p>	<p>Percentage of total project costs that are considered nature-based- Click or tap here to enter text.</p>	



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Tiebreaker:	
<b>Social Vulnerability Index (SVI)</b>	<p>Average SVI of benefitting area: <a href="#">Click or tap here to enter text.</a></p> <p>Geographic basis:</p> <p><input type="checkbox"/> Census Tracts <input type="checkbox"/> Counties</p> <p><i>Please attach a list of the selected geographies and an explanation of why they were selected.</i></p>
<p><b>Certification on MOUs (if MOUs will be required)</b></p> <p><b>If no MOUs will be required, check here:</b> <input type="checkbox"/></p>	<p>I, _____(Name), serving as _____(Title) hereby certify that _____(Applicant) has provided all eligible political subdivisions that will be required to submit a Memorandum of Understanding a copy of their proposed Memorandum of Understanding and an adequately detailed description of the proposed project.</p> <p>_____ Signature</p> <p>_____ Date</p>

## ADDITIONAL INFORMATION FOR THE FLOOD INFORMATION CLEARINGHOUSE COMMITTEE

Responses to questions 1 through 7, along with other information included in this abridged application, will be shared with the Flood Information Clearinghouse Committee (FLICC), a new cooperative effort between the TWDB, General Land Office, Texas Division of Emergency Management, and other state and federal agencies that administer flood mitigation financial assistance programs. After review by the FLICC, the applicant may be advised of other available source(s) of funding:

1. Type of Assistance Requested (Check all that apply):	<input type="checkbox"/> Low Interest Loan <input type="checkbox"/> Grant <input type="checkbox"/> Loan/Grant Combination <input type="checkbox"/> Local Match for Federal Funding
If requesting funds for the local cost share of a federally funded project, the name of the program:	
2. County(ies) in which the project is located:	
3. (If applicable) Associated FEMA disaster name and number:	
4. Does the applicant have an approved Mitigation Action Plan?	
5. Is the community to be served by the project in good standing with the National Flood Insurance Program?	
6. Will this project involve enlargement of a dam or levee beyond the original footprint of the structure that existed prior to a disaster event?	
7. Will this project mitigate a repetitive or severe repetitive loss property?	

## ATTACHMENT 1 TO ABRIDGED APPLICATION

<p><b>Certification on enforcing floodplain management standards</b></p> <p>Exception: The only exception is an entity that is requesting FIF funding to fulfill additional requirements for participation in the National Flood Insurance Program. If this is the situation, check here: <input type="checkbox"/></p>	<p>I, _____(Name), serving as _____(Title) hereby certify that _____(Appropriate entity for area to be served by the project) is currently enforcing floodplain management standards at least equivalent to National Flood Insurance Program (NFIP) minimum standards, but it may exceed the NFIP minimum standard.</p> <p>_____ Signature  _____ Date</p>
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## ATTACHMENT CHECKLIST

<u>✓</u>	<u>N/A</u>	<u>Attachment Description</u>
<input type="checkbox"/>	<input type="checkbox"/>	List of entities receiving the proposed MOU and project description
<input type="checkbox"/>	<input type="checkbox"/>	Benefit-Cost Ratio required information.
<input type="checkbox"/>	<input type="checkbox"/>	Documentation indicating the best/most recent data was used in the development of the proposed project.
<input type="checkbox"/>	<input type="checkbox"/>	Documentation demonstrating the area to be served by the proposed project has floodplain ordinances in place and the appropriate entity has certified that it is currently enforcing floodplain management standards at least equivalent to National Flood Insurance Program (NFIP) minimum standards. (The only exception is an entity that is requesting FIF funding to fulfill the requirements for participation in the National Flood Insurance Program.)
<input type="checkbox"/>	<input type="checkbox"/>	If requesting grant funds that rely on a calculation of the AMHI, Unemployment Rate, or Population Decline then attach the calculation of the weighted average amounts for the project area based on the applicable U.S. Census Bureau geographic areas such as County, Place (City), Census Tract, or Block Group and the ACS data sources described in the IUP.
<input type="checkbox"/>	<input type="checkbox"/>	If requesting prioritization points for "Rural Applicant", a list of all entities in the project benefit area and U.S. Census Bureau 2014-2018 American Community Survey (ACS) 5-year estimates data indicating the population of each area.
<input type="checkbox"/>	<input type="checkbox"/>	(If applying for matching funds) Documentation of an existing federal award pending availability of local match.
<input type="checkbox"/>	<input type="checkbox"/>	(If the project involves property acquisitions) Documentation supporting the determination that acquisitions are the best solution and the properties are a high risk.
<input type="checkbox"/>	<input type="checkbox"/>	(Construction projects) Description of the anticipated funding source for operations and maintenance costs.
<input type="checkbox"/>	<input type="checkbox"/>	(Construction projects) Map and description of area benefitting from the proposed project, including a list of all benefitting political subdivisions.
<input type="checkbox"/>	<input type="checkbox"/>	(If applicable) Documentation of recent or imminent infrastructure failure causing an emergency need or a flood-related federal or state disaster declaration within the most recent 36 months that would be significantly mitigated by the proposed project.
<input type="checkbox"/>	<input type="checkbox"/>	List and explanation of geographies used to determine average SVI.
<input type="checkbox"/>	<input type="checkbox"/>	Certification on enforcing floodplain management standards for all applicable areas
<input type="checkbox"/>	<input type="checkbox"/>	Additional Information for the Flood Information Clearinghouse Committee

## Attachment 2: Template of Memorandum of Understanding

### TEXAS WATER CODE SECTION 15.005 MEMORANDUM OF UNDERSTANDING

This is a Memorandum of Understanding (MOU) between the <<GOVERNING BODY>> of <<ENTITY A>> (the “<<ENTITY A>>”) and the <<GOVERNING BODY>> of <<ENTITY B>> (the “<<ENTITY B>>”). <<MAY INCLUDE ADDITIONAL GOVERNING BODIES/POLITICAL SUBDIVISIONS OR MAY DEVELOP INDIVIDUAL MOUs WITH EACH POLITICAL SUBDIVISION WITHIN THE WATERSHED (see instructions in Flood IUP)>>

WHEREAS, pursuant to Texas Water Code § 15.005 and 31 Texas Administrative Code § 363.408, if the Executive Administrator determines that an application has flood control as one of its purposes and that the watershed in which the project is located is partially located outside the political subdivision making the application, the applicant must submit a written memorandum of understanding relating to the management of the watershed in which the project is to be located, signed by all governing bodies of eligible political subdivisions located in the project watershed; and

WHEREAS, <<ENTITY A>> has filed an application with the Texas Water Development Board for funding a project that has flood control as one of its purposes; and

WHEREAS, <<ENTITY A>> has determined that the watershed in which the project is located is partially located within the jurisdiction of <<ENTITY B>>; and

NOW THEREFORE, in consideration of the benefits to the <<APPLICABLE/NAME OF>> Watershed and the State of Texas, <<ENTITY A>> and <<ENTITY B>> agree to the following:

1. <<ENTITY A>> will provide <<ANNUAL/QUARTERLY/MONTHLY>> progress updates to <<ENTITY B>> as the project develops and changes.
2. <<ENTITY A>> will notify <<ENTITY B>> of any potential change in impacts to <<ENTITY B>> within the <<QUARTER/MONTH>> of the identified change.
3. <<ENTITY B>> will provide constructive input to <<ENTITY A>> as the project develops and changes.
4. <<ENTITY A>> and <<ENTITY B>> will work cooperatively for the management of the <<NAME OF WATERSHED>>.

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<<Responsible Official for Entity A, including Title>>  
<<Entity A>>

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<<Responsible Official for Entity B>>  
<<Entity B>>

## Attachment 3: Examples of Grant Percentage Calculation

### Category 1 Examples

**CATEGORY 1 - Flood Protection Planning for Watersheds (example with AMHI  $\leq$  50% state-wide AMHI and the project area was the subject of a flood-related federal disaster declaration within the past 5 years)**

AMHI is 48% of the state-wide AMHI and the project area was the subject of a flood-related Presidential disaster declaration in 2017

Grant %

**100%**

**CATEGORY 1 - Flood Protection Planning for Watersheds (example with AMHI  $\leq$  75% state-wide AMHI )**

AMHI is 72% of the state-wide AMHI

Grant %

**90%**

**CATEGORY 1 - Flood Protection Planning for Watersheds (example with AMHI at  $\leq$  125% of the state-wide AMHI)**

AMHI is 105% of the state-wide AMHI

Grant %

**75%**

**CATEGORY 1 - Flood Protection Planning for Watersheds (example with AMHI  $>$  125% of the state-wide AMHI)**

AMHI is 135% of the state-wide AMHI

Grant %

**50%**

**Category 2 Example** - Maximum grant possible if AMHI is  $\leq 75\%$  (&  $>65\%$ ) of the state-wide AMHI and the project is outside of an MSA:

**Category 2 - Planning, Acquisition, Design and Construction/Rehabilitation, or Construction only, or Rehabilitation only**

**Example - Construction only**

	Grant %
1. Project is outside of an MSA	10%
2. AMHI is 72% of the state-wide AMHI	25%
3. The unemployment rate is 1.5 times the state rate. $1.5 \times 2.5\% = 3.75\%$ (rounded up to nearest integer),	4%
4. The population has declined 180 people from 5,000 to 4,820. $180/5,000=3.6\%$ (rounded up to nearest integer)	4%
5. It is a "rural applicant" – add 5% grant	5%
6. Nature-based costs are 40% of the project - add 5% grant (Note: it was outside the MSA so it qualified for this grant percentage on that basis alone. It also met 4 of the other qualifiers of income, unemployment rate, declining population, and rural applicant so it would have been eligible for the Nature-based grant percentage on that basis as well.	5%

**Total grant %**

**53%**



**Category 3 Example** - Maximum grant possible if AMHI is  $\leq 75\%$  (&  $>65\%$ ) of the state-wide AMHI and the project is outside of an MSA:

**Category 3 - Federal Award Matching Funds**

Example	Grant %
1. Project is outside of an MSA	10%
2. AMHI is 72% of the state-wide AMHI	55%
3. The unemployment rate is 1.5 times the state rate. $1.5 \times 2.5\% = 3.75\%$ (rounded up to nearest integer)	4%
4. The population has declined 180 people from 5,000 to 4,820. $180/5,000=3.6\%$ (rounded up to nearest integer)	4%
5. It is a "rural applicant" – add 5% grant	5%
6. Nature-based costs are 40% of the project - add 5% grant (Note: it was outside the MSA so it qualified for this grant percentage on that basis alone. It also met 4 of the other qualifiers of income, unemployment rate, declining population, and rural applicant so it would have been eligible for the Nature-based grant percentage on that basis as well.	5%
<b>Total grant % (portion of the applicant's required federal match amount) - Capped at 90%</b>	<b>83%</b>

**Category 4 Example** - Maximum grant possible if AMHI is  $\leq 75\%$  (&  $>65\%$ ) of the state-wide AMHI and the project is outside of an MSA:

**Category 4 - Measures immediately effective in protecting life and property**

Example	Grant %
1. Project is outside of an MSA	10%
2. AMHI is 72% of the state AMHI	55%
3. The unemployment rate is 1.5 times the state-wide rate. $1.5 \times 2.5\% = 3.75\%$ (rounded up to nearest integer)	4%
4. The population has declined 180 people from 5,000 to 4,820. $180/5,000=3.6\%$ (rounded up to nearest integer)	4%
5. It is a "rural applicant" – add 5% grant	5%
6. Nature-based costs are 40% of the project - add 5% grant (Note: it was outside the MSA so it qualified for this grant percentage on that basis alone. It also met 4 of the other qualifiers of income, unemployment rate, declining population, and rural applicant so it would have been eligible for the Nature-based grant percentage on that basis as well.)	5%
<b>Total grant % - Capped at 90%</b>	<b>83%</b>

## Attachment 4: Project List

A project list will be incorporated after prioritization is complete.