

**TO:** Board Members

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

**FROM:** Kathy Hopkins, Mitigation Specialist, Flood Mitigation Planning  
Mike Segner, Manager, Flood Mitigation Planning

**DATE:** May 3, 2018

**SUBJECT:** Federal Fiscal Year 2017 Flood Mitigation Assistance Grant

**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 \$27,743,911 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 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 insurable under the National Flood Insurance Program through mitigation projects and long-term comprehensive mitigation planning.

Grant applications funded for Flood Mitigation Assistance follow several criteria:

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

**Our Mission** : **Board Members**

To provide leadership, information, education, and support for planning, financial assistance, and outreach for the conservation and responsible development of water for Texas : Peter Lake, Chairman | Kathleen Jackson, Board Member | Brooke T. Paup, Board Member  
: Jeff Walker, Executive Administrator

- A Severe Repetitive Loss property is a structure that has had either four or more claim payments exceeding \$5,000 per claim, or a total of four claim payments with a cumulative amount exceeding \$20,000, or has had two separate building claim payments with a cumulative amount exceeding the market value of the insured structure. FEMA may contribute up to 100 percent of the total eligible cost for mitigation of these structures through acquisition, relocation, demolition, elevation, mitigation reconstruction, and flood proofing of historical structures.
- 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. FEMA may contribute up to 90 percent of the total eligible cost for mitigation of these structures through acquisition, relocation, demolition, elevation, mitigation reconstruction, and flood proofing 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 or for mitigation planning grants.
- Implementation projects require a Benefit Cost Ratio of 1.0 or higher as determined by FEMA's Benefit Cost Analysis software or a FEMA approved methodology. The analysis estimates future flood damage avoidance by mitigation type.

The Fiscal Year 2017 Flood Mitigation Assistance Notice of Funding Opportunity (DHS-16-MT-029-000-99) provided an application period of August 14, 2017 – November 14, 2017, and established the funding availability of \$160 million available nationwide, funding priorities, and period of performance. 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 sub-applications submitted by political subdivisions. Eligible sub-applications 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 2017 funding opportunity, the TWDB received 26 Flood Mitigation Assistance project grant sub-applications. After eligibility and administrative review, the TWDB forwarded 23 of the 26 sub-applications to FEMA for a total funding request of \$73,601,448.13. A list of the 23 sub-applications is in Attachment A. On March 22, 2018, FEMA notified the TWDB that 13 of the 23 sub-applications were "identified for further review," totaling \$27,743,910.49 in federal funding, with a community match requirement of \$2,767,030.69 for a total of \$30,510,941.18.

Table 1 lists the 13 selected sub-applications, and Attachment B provides a project summary for each. FEMA defines "Identified for Further Review" as the sub-applications that have been selected for funding (award) once all the pre-award activities are completed. The TWDB will be working with the FEMA Region 6 Office to complete pre-award activities for these sub-applications prior to FEMA making the official award.

In addition to the 13 selected sub-applications, FEMA also selected TWDB's management cost sub-application in the amount of \$1,798,083.83 of federal funds with a required state general revenue match of \$179,331.36 over the grant's three-year period of performance. Management costs contribute to salary, travel, and other administrative costs.

Table 1. Sub-applicants identified by FEMA for Further review.

Applicant	Mitigation Project Type	Number of Structures	Federal Share	Non-Federal Share	Total Project Costs
Bevil Oaks, City of	Elevation	32	\$4,108,561.00	\$1,238,203.00	\$5,346,764.00
El Lago, City of	Acquisition	1	\$259,376.00	\$0.00	\$259,376.00
Fort Worth, City of	Acquisition	2	\$515,500.00	\$34,500.00	\$550,000.00
Hardin County	Acquisition	12	\$2,721,501.96	\$0.00	\$2,721,501.96
Harris County Flood Control District	Acquisition	51	\$10,487,076.34	\$416,537.00	\$10,903,613.34
Houston, City of	Advance Assistance	NA	\$93,750.00	\$31,250.00	\$125,000.00
Jersey Village, City of	Elevation	18	\$3,355,447.63	\$276,499.37	\$3,631,947.00
Longview, City of	Acquisition	2	\$297,536.30	\$20,610.70	\$318,147.00
McAllen, City of	Drainage	NA	\$1,048,818.75	\$349,606.25	\$1,398,425.00
Nassau Bay, City of	Acquisition	6	\$1,392,247.20	\$0.00	\$1,392,247.20
Nassau Bay, City of	Elevation	9	\$2,833,332.00	\$356,928.00	\$3,190,260.00
Orange, City of	Acquisition	1	\$244,696.00	\$0.00	\$244,696.00
Teague, City of	Elevation	1	\$386,067.31	\$42,896.37	\$428,963.68
Total			\$27,743,910.49	\$2,767,030.69	\$30,510,941.18

**RECOMMENDATION**

The Executive Administrator recommends approval to negotiate and execute contracts as approved and directed by the Federal Emergency Management Agency in a total amount not to exceed \$27,743,911 for subgrants from the Flood Mitigation Assistance grant program upon notification of award as this meets the agency objectives of providing financial assistance to communities to reduce or eliminate the long-term risk of flood damage and allowing communities to become more flood resilient in the future.

Attachment:

- Attachment A: Flood Mitigation Assistance Fiscal Year 2017 Sub-application Status
- Attachment B: Summary of FEMA-Selected Flood Mitigation Assistance Sub-applications