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AGENDA ITEM MEMO

BOARD MEETING DATE: September 10, 2026

TO: Board Members

THROUGH: Bryan McMath, Executive Administrator
Ashley Harden, General Counsel
Georgia Sanchez, Chief Financial Officer
Jessica Peña, Deputy Executive Administrator, Water Supply & Infrastructure

FROM: Jesse Milonovich, Interim Director, Program Administration & Reporting
Sara Sopczynski, Flood Infrastructure Fund Program Coordinator, Program Administration & Reporting

SUBJECT: 2026-27 Flood Infrastructure Fund Intended Use Plan

ACTION REQUESTED

Consider adopting the State Fiscal Year (SFY) 2026-27 Flood Infrastructure Fund Intended Use Plan.

BACKGROUND

In 2019, the 86th Texas Legislature created the Flood Infrastructure Fund (FIF) program and Texas Voters approved the constitutional amendment establishing the fund on November 5, 2019. The FIF program provides financial assistance for drainage, flood mitigation, and flood control projects. As part of the amendment, the Legislature authorized a one-time transfer of \$793 million from the Economic Stabilization Fund to the FIF.

In 2023, the 88th Texas Legislature appropriated an additional amount of approximately \$624 million from the general revenue fund to support the FIF program. Half of this amount was utilized for SFY 2024-25 FIF Intended Use Plan (IUP) cycle. The Texas Water Development Board (TWDB) anticipates utilizing the remaining amount of approximately \$312 million for the SFY 2026-27 cycle to assist communities with their FIF projects.

A draft FIF IUP for SFY 2026-27 was published on the TWDB website for a 30-day public comment period from May 13 through June 12, 2026. Thirty-four public comment submittals were received, containing approximately 168 individual comments from non-profit advocacy groups, authorities, cities, counties, districts, regional flood planning groups, engineering and consulting firms, and the general public. Each comment was reviewed in accordance with 31 Texas Administrative Code § 363.403.

Our Mission

Leading the state's efforts
in ensuring a secure
water future for Texas

Board Members

L'Oreal Stepney, P.E., Chairwoman | W. Brady Franks, Board Member | Ashley Morgan, Board Member
Bryan McMath, Executive Administrator

Public comments and the TWDB responses are provided in Attachment 1. The recommended Final SFY 2026-2027 FIF IUP is provided in Attachment 2.

Significant Program Changes from the Previous FIF IUP

Significant changes from the previous SFY 2024-25 FIF IUP include:

1. Removal of the Benefit Cost Analysis (BCA) from the Minimum Requirements section. Entities pursuing Flood Mitigation Projects (FMPs) are no longer required to submit the BCA with the abridged application or during project implementation.
2. The notice requirements in accordance with 31 TAC § 355.8 only apply to FME Category projects funded through the Research and Planning Fund. FME projects funded directly from FIF are not subject to the notice requirement.
3. Additional coordination and planning requirements for water conveyance projects as outlined in the Texas Water Code, Chapter 6, Subchapter H for projects with a water supply benefit only.
4. An entity is eligible to receive financial assistance for no more than two abridged application requests within a single FIF category. This is to ensure that financial assistance is distributed more broadly. The only exceptions include: (1) federal match projects, and (2) if all other projects on the prioritization list have been invited to submit a full financial application and program funds remain available.
5. Projects will be prioritized into four project lists: Flood Management Evaluations (FME), Flood Mitigation Projects (FMP), Flood Management Strategies (FMS), and Federal Match.
6. Removal of predetermined funding goals per category. The TWDB will allocate funds after the abridged application submittal deadline based on the funding requests per prioritization list.
7. The TWDB will initially bypass ranked projects in order to invite at least one project or study from each regional flood planning group within each category, as funding permits.
8. Funding caps will apply to grants, loans, and in-kind funding terms within each category.
9. Grant qualifiers and grant percentage offerings were updated in response to stakeholder feedback.

SFY 2026-27 Solicitation

Solicitation for the SFY 2026-27 cycle will open following the approval of the Final SFY 2026-2027 FIF IUP. To be included on the prioritization list, entities must submit a completed Abridged Application. The solicitation period will be open for approximately three months.

Projects will be reviewed and scored in Fall 2026/Winter 2027, and a prioritized list will be published for public comment. In Spring 2027, the TWDB will issue the first round of invitations to entities selected from the prioritization list to submit full applications.

KEY ISSUES

The public comments addressed a wide range of topics, including project eligibility, prioritization, availability of funds, grant qualifiers, phased projects, federal match considerations, minimum standards, benefit cost analysis and ratio removal, memorandum of understanding, National Floodplain Insurance Program compliance, the application process, data centers, and general language used within the IUP. Staff across the agency assisted in developing responses to the public comments received.

Minor edits and clarifications were incorporated into the IUP, including additional weblinks and clarification on the federal match project prioritization list.

RECOMMENDATION

The Executive Administrator recommends adoption of the SFY 2026-27 FIF IUP, with the ability to make non-substantive changes if necessary.

Attachments:

1. Response to public comments on the draft SFY 2026-27 FIF IUP
2. Recommended Final SFY 2026-27 FIF IUP

**Texas Water Development Board
Response to Comments on the Draft State Fiscal Year 2026-27 Flood Infrastructure
Fund Intended Use Plan**

The following provides a summary of the public comments received and the Texas Water Development Board (TWDB) responses for the public comment period for the State Fiscal Year (SFY) 2024-25 Flood Infrastructure Fund (FIF) Intended Use Plan (IUP) from May 13, 2026, to June 12, 2026.

General Comments

Comment Submitted By:

Steve Madison, TBAE Registered Architect #10338 and TREC Commercial Real Estate Sales Agent #733606

Comment Date:

May 20, 2026

Comment:

I work as a land broker in Ellis and Dallas counties. We frequently hear of the "Data Center Gold Rush" in which land brokers have been hired by data center developers to prospect for large tracts undeveloped land to install these gigantic server farms. I recently spoke with a broker looking at one of my listings in Waxahachie, Tx. The qualifier was coolant water: ONE MILLION TWO HUNDERED THOUSAND (1.2MM) GALLONS PER DAY to operate the center. By comparison, the entire city of Waxahachie consumes 4.9MM Gallons per day. This one data center would consume around 25% of the entire capacity for the entire city. Does that sound tight to you? There are hundreds of these sorts of deals being pitched across the state. According to published sources, there are currently 400 data centers in operation that consume 25 BILLION Gallons annually and by 2030, if these things are allowed, the total potable water consumed could reach 160 BILLION Gallons. I am asking that the board prioritize the needs of the PEOPLE of Texas first and let the Data Center Gold Rush find land and water in some other state. Kindly. Steve Madison 9722074310

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Scott McKee, Noah's Advanced Warning Systems

Comment Date:

May 20, 2026

Comment:

We have a patented early warning device for flash flooding. We are not affiliated with any municipality or water regulatory agency. We are a private firm. The concept was born after the catastrophic flood events on July 4, 2025. WE have one working prototype but are looking for financial assistance to further develop the concept. Do you know of any agency that would partner with us to use some of the available funds to continue the development and subsequent testing of our device?

Comment Attachment:

Noah's Advanced Warning Systems

Rising Water Alert System

April 2026



Sometimes this Paradise becomes an unstoppable force



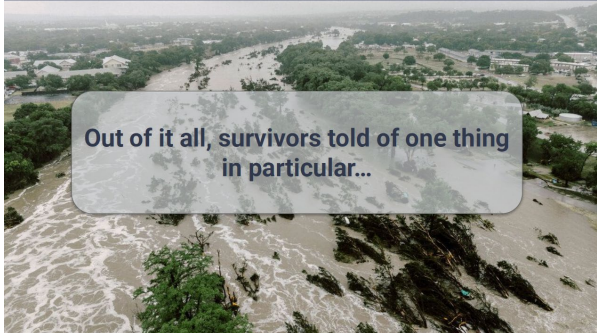
In a nutshell



Noah's Alert turns rivers into active warning systems. By combining real-time sensing with autonomous deployment of mobile alert devices, it delivers loud, unmistakable warnings directly to people in the path of a flood—**especially where traditional infrastructure can't reach.** The result is faster awareness, faster action, and lives saved.



Sometimes this Paradise becomes an unstoppable force

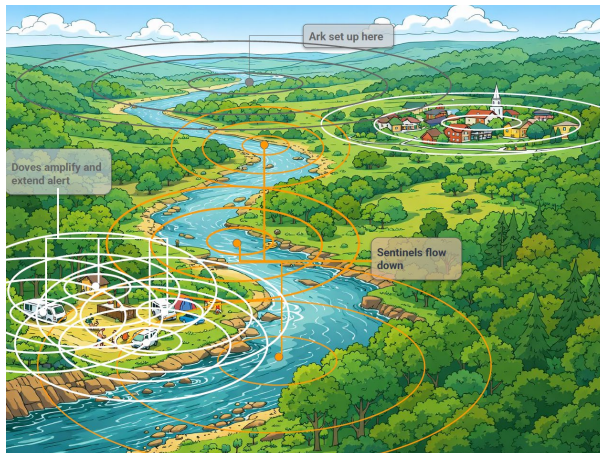
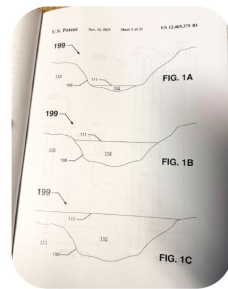


Out of it all, survivors told of one thing in particular...

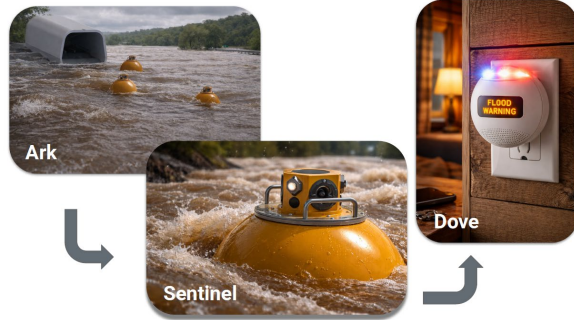
The Silence

A patented aid for those outside of fixed infrastructure

US12469375B1
Flood warning apparatus and system



The system



Ark - In detail

Sealed Sentinel storage Floating Platform

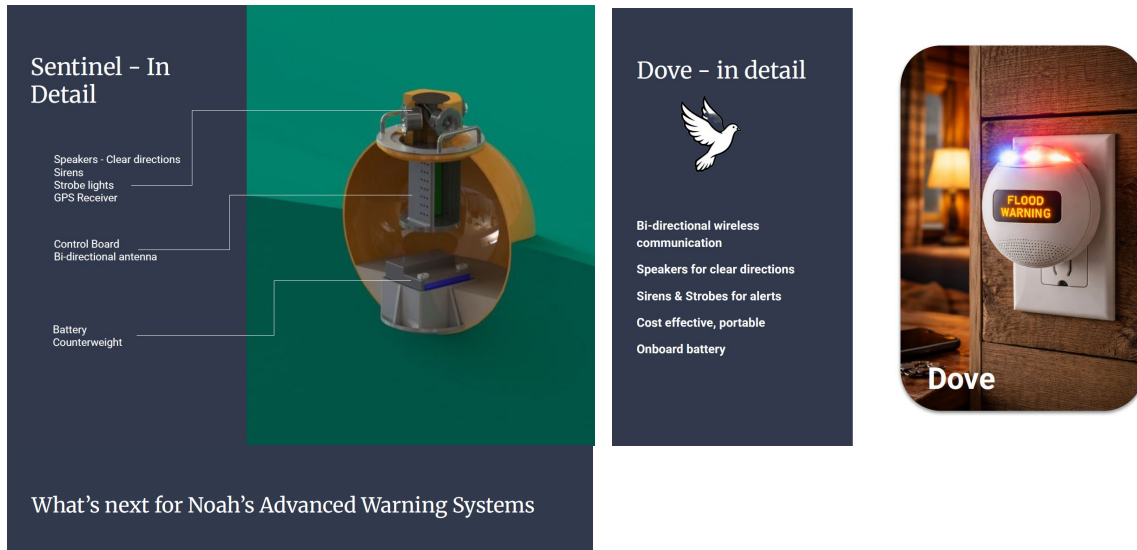
- Power:**
- Hydroelectric generator
 - Solar panels
 - Battery storage

- Communication:**
- Cellular
 - Satellite
 - Bi-directional

- Release**
- Purely mechanical based on depth
 - Remote release based on trigger signal

- Sensing**
- Depth, Current, Temperature
 - Rainfall, Wind
 - Expandable to suit requirements





Seeking partners for development and deployment

Lab and Field Testing

Continuous Development



Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP. Governmental entities that participate in the state flood planning process are eligible to receive FIF funding for a flood mitigation or early warning project. Other state and federal agencies might have a funding program that aligns with this product. The TWDB recommends reviewing the funding opportunities information found on the [Flood Information Clearinghouse website](#).

Change:

None.

Comment Submitted By:

Tabitha Charanza, Pimp Hemp LLC

Comment Date:

May 21, 2026

Comment:

As Texas Hemp Producers, agricultural stewards, and the leadership of Pimp Hemp LLC, we stand in unyielding opposition to the uncontrolled expansion of hyperscale data centers tapping into our precious aquifers and above-ground water systems. Texas agriculture is the backbone of our state's economy, rural heritage, and national food security. Yet, our rural communities are being positioned as the sacrificial lamb for out-of-state tech giants seeking cheap land, massive tax subsidies, and unrestricted access to our most vital, finite resource: water.

Data centers are fundamentally resource-ravenous. A single mid-sized facility can consume millions of gallons of water daily—equivalent to the consumption of an entire small town. Recent projections show data center water usage in Texas ballooning up to 161 billion gallons by 2030, potentially hijacking nearly 10% of our state's water infrastructure. For multi-generational farmers and independent agricultural innovators like us, these numbers represent an existential threat. Our crops, our livestock, and our sustainable hemp cultivation operations rely entirely on the predictability of localized water tables.

When industrial tech conglomerates drill into rural aquifers like the Edwards, Ogallala, or Carrizo-Wilcox, they act like a giant soda straw, rapidly drawing down the water table. Across rural Texas, family wells are already running dry. The data center industry's aggressive "pump and dump" cooling methods pull pristine groundwater and discharge it down the drain or subject it to heavy chemical treatments. Furthermore, the localized heat islands and potential heavy-metal or nitrate runoff from these massive server complexes degrade soil quality and threaten the biological integrity of the surrounding ecosystems.

This isn't just an economic crisis for current producers—it is a betrayal of future generations of Texans. Water is a public trust, not a corporate commodity to be bartered away under non-disclosure agreements and sweetheart tax abatements. Every gallon of groundwater diverted to cool an AI server rack or power an internet processing farm is a gallon stolen from the future children, farmers, and ranchers of this state. If our aquifers are depleted and our above-ground rivers are drained, we face an irreversible ecological bankruptcy. No amount of technological advancement can replace a dried-up aquifer or a barren field.

Pimp Hemp LLC fully aligns with the Texas agricultural community, independent groundwater conservation districts, and state leaders calling for an immediate moratorium on new hyperscale data center permits. Growth should never come at the expense of our infrastructure, our food supply, and our rural survival. We demand absolute corporate transparency, mandatory water-recycling closed-loop requirements, and the stripping of taxpayer-funded incentives for facilities utilizing freshwater cooling. We must establish rigid

guardrails now. Texas agriculture will not be dried up and driven out to subsidize Silicon Valley. Protect our water, protect our land, and secure the future of Texas.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Catherine Endres

Comment Date:

May 21, 2026

Comment:

I do not support any use of our floodwaters, wastewater, any water, to be used in any development or maintenance for any data centers.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

David Huether

Comment Date:

May 23, 2026

Comment:

Nearly 10 years have passed since the Conroe release of water during Hurricane Harvey took place.

Since then we as homeowners on Lake Houston have aged, have less discretionary income and all the risk of another flood.

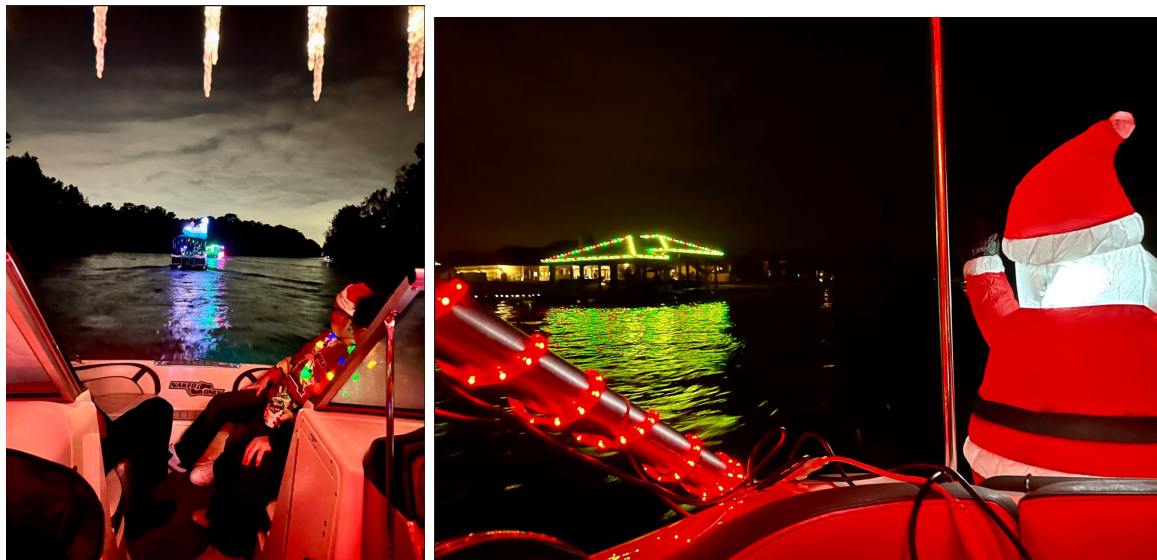
2024 we prepared our house again for flooding by elevating all our furniture, clearing our contents as Lake Houston rose to within 3 feet of entering our home which 8 feet above lake level.

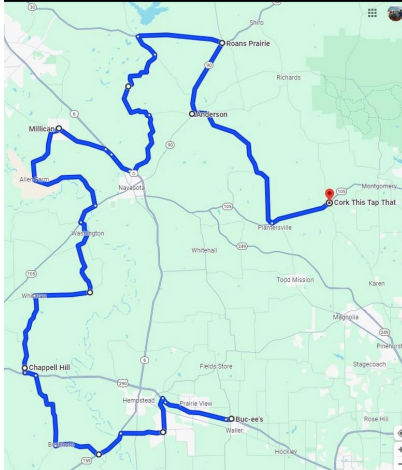
We deserve the truth and facts on whether the Lake Houston Dam will ever be addressed. We have decisions to make as we enter senior citizen status and can ill afford another flooding of our home.

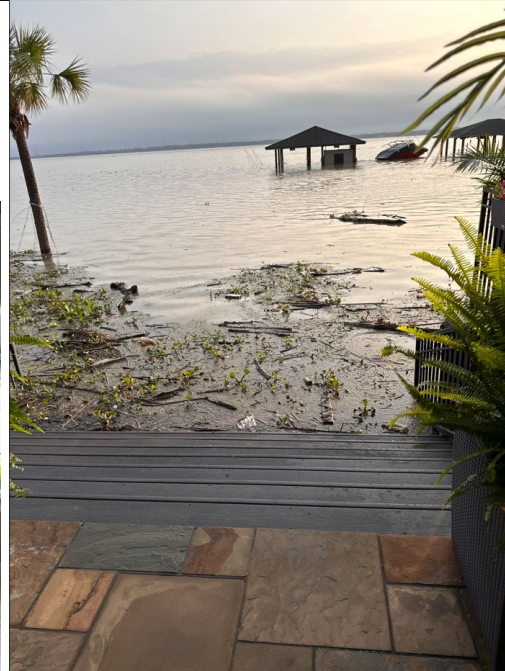
Please, for once...be honest with your constituents on whether the Lake Houston Dam additional gates project will ever see the light of day! We have to make decisions of our own.

We are still financially upside down from 2017.

Comment Attachment:













Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP. To be eligible for FIF, a project or study must be recommended as a Flood Management Evaluation, Flood Mitigation Project, and Flood Management Strategy in the Board-adopted State Flood Plan. Potentially feasible flood risk reduction solutions for the Lake Conroe and Lake Houston area may be brought to the Region 6 San Jacinto Regional Flood Planning Group for their consideration and possible recommendation for inclusion in the 2028 Regional Flood Plan. Please contact SanJacFIdPG@eng.hctx.net or visit the [Region 6 San Jacinto Flood Planning Region webpage](#) for more information on participating in the regional flood planning process.

In addition, the TWDB Flood Grants Coordination Team may assist you with more information on additional flood funding opportunities. Please contact floodgrant@twdb.texas.gov for more details.

Change:

None.

Comment Submitted By:

Chad Price, ReduceFlooding.com, on behalf of Bob Rehak

Comment Date:

May 23, 2026

Comment:

We need these funds allocated to Montgomery County to buy out a flood plain owned by San Jacinto LP. It will cause massive flooding if the land is built up between the San Jacinto West Fork and Spring Creek.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Marchelle Bell

Comment Date:

May 29, 2026

Comment:

My husband's family is 8th generation Texan, and they have had small businesses and are Ranchers by trade. Texans know that water is life, and how desperate we are for our water to supply our homes and to sustain our Cattle. Please consider the following before voting on decisions that will impact future generations of Texans to come.

-Delay approval of the Draft 2027 Water Plan until major deficiencies are addressed.

-Fully account for future industrial demand, including AI and hyperscale data center expansion.

-Prohibit the development of water rich projects like water parks, surf lagoons, sand beaches, ponds, water spas, water feature planned communities, etc until Texas achieves a significant surplus of water availability.

-Require meaningful industrial and municipal conservation measures for areas with significantly higher than average per capita consumption (i.e DFW).

-Prioritize high-yield long-term solutions such as desalination.

-Protect the constitutional rights of Texas landowners and rural communities from permanent loss of land and water resources through inter-basin transfers.

Thank you for considering my comments, and please protect our way of life from Corrupt Corporate greed.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Noel Marsden, CFO / Garrison Systems, LLC

Comment Date:

June 2, 2026

Comment:

Garrison appreciates the opportunity to comment on the proposed Flood Infrastructure Fund Intended Use Plan for the SFY 2026–2027 funding cycle.

We support TWDB’s continued investment in flood mitigation, flood control, drainage, resilience, and flood-risk-reduction projects across Texas. The Flood Infrastructure Fund is an important tool for helping eligible public entities move from planning to implementation and protect communities, critical infrastructure, and public assets from flood damage.

We respectfully request that the final Intended Use Plan, program guidance, FAQs, or application materials clarify that eligible Flood Mitigation Project and Flood Management Strategy scopes may include deployable, demountable, passive, temporary, and permanent flood-barrier and dry-floodproofing systems when those systems are part of a project recommended in the State Flood Plan or an approved regional flood plan and otherwise meet program requirements.

Examples of eligible project components could include flood protection systems for public buildings, emergency facilities, water and wastewater facilities, electrical or utility assets, pump stations, transit entrances, parking garage ramps, roadways, low-water crossings, and other critical infrastructure.

Eligible components should also include modular or demountable flood-wall systems, flood planks, flood panels, passive or automatic flood gates, water-diversion barriers, inflatable barriers, water-filled barriers, dry-floodproofing systems, opening-protection improvements, and similar engineered systems used to block, divert, contain, or reduce floodwater impacts.

These systems may be especially useful as pre-positioned deployable flood-barrier systems used by municipalities, counties, districts, authorities, or other eligible public entities to reduce repetitive flooding, protect flood-prone assets, reduce road closures, improve emergency access, and increase resilience during flood events.

This clarification would help eligible applicants, consulting engineers, regional flood planning groups, local officials, and procurement teams understand that modern flood-barrier and dry-floodproofing systems can be considered alongside traditional drainage, detention, levee, pump station, channel improvement, and other flood mitigation infrastructure.

Garrison Flood Control also maintains a Sourcewell cooperative purchasing contract. Sourcewell is a competitively solicited cooperative purchasing vehicle that may allow participating municipalities, counties, districts, authorities, and other public agencies to

procure eligible flood protection systems through an existing contract, subject to their own procurement rules and applicable state and local law.

We encourage TWDB to clarify that the use of a lawful cooperative purchasing contract, including Sourcwell or similar cooperative purchasing programs, does not affect the eligibility of an otherwise eligible FIF-funded project component. This would help local governments move more efficiently from funding award to implementation while maintaining competitive procurement, public accountability, and compliance with applicable purchasing requirements.

We are not requesting that TWDB endorse any specific vendor, manufacturer, or proprietary product. Rather, we encourage TWDB to provide technology-neutral examples confirming that engineered flood-barrier, floodproofing, opening-protection, and deployable flood protection systems may be eligible when they are included in an eligible project scope, properly procured, supported by required engineering documentation, and consistent with the State Flood Plan or applicable regional flood plan.

Thank you for considering this request. Garrison Flood Control appreciates TWDB's leadership in supporting flood mitigation and flood infrastructure across Texas and welcomes the opportunity to serve as a technical resource to public entities evaluating flood protection options for eligible projects.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

The eligible Flood Mitigation Project and Flood Management Strategy scopes may include deployable, demountable, passive, and permanent flood-barrier and dry-floodproofing systems when those systems are part of a project recommended in the State Flood Plan or an approved regional flood plan and otherwise meet program requirements. If the scope of a project includes acquiring temporary barriers that are deployed ahead of storm events and contribute to long-term and reliable flood risk reduction, it may be allowable if all other program requirements are met.

Applicants must comply with all applicable statutes and local procurement rules. Applicants should consult their legal counsel to determine which specific procurement laws apply to a particular project.

Change:

None.

Comment Submitted By:

Tracy Stephens

Comment Date:

June 2, 2026

Comment:

Pleasantville community, 77029

Waiting for \$25 million flood mitigation drainage channel to that would help with removing storm water from community and 117 acres dredge site. The entire community floods and people are either locked in or out , community surrounded by railroad tracks and highway. City of Houston Public Works says they have applied for funding help but don't know where that is nor if they've asked for your help

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

The Amended 2023 Regional Flood Plan rankings list a project sponsored by the City of Houston for Houston Port Area Flood Mitigation (FMP ID 063000418). The description states the following: The project includes storm sewer improvements on nearly every street in the Pleasantville neighborhood to improve conveyance capacity and construction of a detention basin.

This project is eligible for FIF funding. The TWDB recommends contacting the Region 6 San Jacinto Regional Flood Planning Group and the City of Houston for more details. If this project does not relate to the solution you are describing, potentially feasible flood risk reduction solutions may be brought to the Region 6 San Jacinto Regional Flood Planning Group for their consideration and possible recommendation for inclusion in the 2028 Regional Flood Plan. Please contact SanJacFIdPG@eng.hctx.net or visit the [Region 6 San Jacinto Flood Planning Region webpage](#) for more information on participating in the regional flood planning process.

Change:

None.

Comment Submitted By:

Alan Steinberg, West Houston Association, on behalf of Andy Palermo

Comment Date:

June 3, 2026

Comment:

On behalf of the West Houston Association, thank you for the opportunity to provide comments on the 2026–2027 Draft Flood Intended Use Plan. WHA appreciates TWDB’s continued work to advance flood resiliency across Texas and respectfully submits the following comments for consideration as the document is finalized and as funding decisions are made for much-needed flood mitigation projects across the state.

First, WHA strongly supports the removal of the Benefit-Cost Analysis requirement from the Draft Flood Intended Use Plan. This is a welcome and much-needed change that will help remove barriers for important flood resiliency projects. However, on Page 3, the Draft FIUP directs applicants to consult the FIF Program Guidance for additional project-specific guidance. That guidance still includes a requirement for a BCA and further states that a BCA greater than one is “generally preferred.” WHA recommends revising the FIF Program Guidance so that it is consistent with the Draft FIUP.

Relatedly, WHA appreciates the significant program change identified on Page 3 removing the BCA requirement. We further recommend that TWDB make the same revision by removing the BCA requirement for Flood Management Evaluations, Flood Mitigation Projects, and Flood Management Strategies to be included in Regional Flood Plans and the State Flood Plan.

WHA also supports the revised grant qualifiers and amounts described on Page 3. This is another welcome and needed change. Unlike water and wastewater projects, flood mitigation projects generally do not generate revenue and are therefore at a significant disadvantage when it comes to repayment of loans. Increased grant funding better reflects the public benefit and financial realities of these projects.

On Page 7, under Minimum Standards, WHA recommends removing the requirement for a Memorandum of Understanding. While collaboration between adjoining agencies is critical, the MOU requirement can be far-reaching and onerous to obtain. In the context of flood risk mitigation, the most important question is downstream impact, and TWDB has wisely included that requirement. The additional, and far less onerous, requirement of an affidavit confirming that collaboration has occurred would meet the intent in a more practical and efficient way.

On Page 11, in the final paragraph addressing the prohibition of phased projects, WHA strongly encourages TWDB to allow phased components of larger projects or programs, regardless of the composition of the Flood Mitigation Project in the State Flood Plan. Flood mitigation projects are often very large in scope, scale, and cost, making it prohibitive to execute them as a single project or construction contract. Similar federal programs,

including FEMA's FMA and BRIC programs, generally do not allow a phase to stand alone unless the individual project meets program requirements, such as a BCA greater than 1.0. This has long been a major impediment to local agencies' ability to manage large, multi-year or even multi-decade flood mitigation programs that should be measured as the sum of their parts rather than as isolated components. Other federal agencies, including USACE and NRCS, allow for more flexible approaches. WHA respectfully asks TWDB to consider allowing this approach to provide much-needed relief and help advance important projects.

On Page 20, in the second-to-last paragraph addressing 5% retainage, WHA strongly recommends removing this requirement for professional services agreements. While retainage is common practice for construction contracts, it is not considered standard practice for professional services agreements. WHA recommends limiting retainage requirements to construction activities.

Again, thank you for your efforts to build a more resilient future for Texas. WHA appreciates the opportunity to provide these comments and respectfully asks TWDB to consider these recommendations as it makes meaningful changes to this important document.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

The TWDB will update the [FIF Program Guidance \(TWDB-0104\)](#) in the near future in order to be consistent with the SFY 2026-27 FIF IUP.

The State Flood Plan includes BCA as one of the ranking criteria for the recommended FMPs. It is not a requirement for FME and FMS.

The MOU requirement was imposed by the Texas Legislature in Texas Water Code § 15.005, so the TWDB cannot remove it. The MOU requirement only applies to flood control projects (defined in 31 Texas Administrative Code § 363.402), which include the construction or rehabilitation of structural mitigation or anything that retains, diverts, redirects, impedes, or otherwise modifies the flow of water. The requirement only applies if the project watershed (defined in 31 Texas Administrative Code § 363.402 as the area upstream and downstream substantially affected by the proposed flood project, as documented in the project application, and sealed by a Professional Engineer or Professional Geoscientist) lies partially outside the applicant's boundaries. If the project watershed lies wholly within the applicant's boundaries, no MOU is required. The requirement only necessitates MOUs with "eligible political subdivisions" (as defined in Texas Water Code § 15.531 as a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county). If applicable, the applicant must submit an MOU relating to management of the project watershed. If applicable, the MOU must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. The applicant must submit either a single MOU that includes all governing bodies of all political subdivisions required to sign or

develop individual MOUs with each political subdivision or groups of political subdivisions within the watershed. All 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. This minimum standard on MOUs does not apply to FME Category projects. Although this minimum standard on MOUs does apply generally to the FMS Category, most of those projects will not meet the definition of a flood control project; therefore, this requirement will not apply to most FMS projects.

Phased projects are not prohibited in the FIF IUP. Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF, except when a project or study is structured and submitted in multiple components or phases. If a project or study scope has been reduced from that included in the State Flood Plan, for example, due to phasing, the applicant is required to provide updated project or study data to reflect the lesser benefits than those reflected in the State Flood Plan. This requirement ensures that project scores appropriately correspond to the benefits generated by the project. If the project or study has not been reduced in scope, then it will not be re-scored, and the prioritization will be based on the State Flood Plan dataset and scoring.

A minimum retainage of five percent of project funds will be withheld, except for projects involving federal award matching funds, for which retainage will not be withheld. Any remaining retainage will be disbursed once the TWDB receives all required close-out documentation. For disbursements related to construction contracts, the TWDB will reimburse 95 percent of each outlay of the TWDB's share of eligible activities, taking into account any retainage already deducted from invoices or other supporting documents.

Change:

None.

Comment Submitted By:

Zachary W. Miller, Vice President, Energy Corridor District, on behalf of Christina M. Lindsay and Alan Steinberg

Comment Date:

June 8, 2026

Comment:

1. **Removal of Benefit-Cost Analysis Requirement**
Houston Stronger strongly supports the removal of the Benefit-Cost Analysis requirement from the Draft FIUP. This is a welcome and much-needed change that will help reduce barriers for important flood mitigation projects.
2. **Consistency with FIF Program Guidance**
On Page 3, the Draft FIUP directs applicants to consult the FIF Program Guidance for additional project-specific guidance. However, the current FIF Program Guidance still includes a BCA requirement and states that a BCA greater than one is “generally preferred.” Houston Stronger recommends revising the FIF Program Guidance so that it is consistent with the Draft FIUP.
3. **Regional and State Flood Plan Requirements**
Houston Stronger recommends that TWDB make the same revision by removing BCA requirements for Flood Management Evaluations, Flood Mitigation Projects, and Flood Management Strategies to be included in Regional Flood Plans and the State Flood Plan.
4. **Grant Qualifiers and Amounts**
Houston Stronger supports the proposed changes to grant qualifiers and amounts. Unlike water and wastewater projects, flood mitigation projects generally do not generate revenue and are therefore at a significant disadvantage when it comes to repayment of loans. Increased grant funding better reflects the public benefit and financial realities of flood resiliency work.
5. **MOU Requirements**
Houston Stronger recommends removing the requirement for a Memorandum of Understanding. While collaboration between adjoining agencies is critical, an MOU can be far-reaching and onerous to obtain. In the context of flood risk mitigation, the key issue is downstream impact, which TWDB already addresses. An affidavit confirming that collaboration has occurred would meet the intent in a more practical and efficient way.
6. **Phased Projects**
Houston Stronger strongly encourages TWDB to allow phased components of larger projects or programs, regardless of how the Flood Mitigation Project is composed in the State Flood Plan. Flood mitigation projects are often large in scope, scale, and cost, making it difficult or impractical to execute them as a single project or

construction contract. These multi-year or even multi-decade programs should be evaluated as the sum of their parts rather than as isolated components.

7. Federal Program Comparison

FEMA programs such as FMA and BRIC generally do not allow a phase to stand alone unless the individual project meets program requirements, such as a BCA greater than 1.0. This has long created challenges for local agencies trying to manage large flood mitigation programs. Other federal agencies, including USACE and NRCS, allow for more flexible approaches. Houston Stronger encourages TWDB to consider a similar approach.

8. Retainage for Professional Services Agreements

Houston Stronger strongly recommends removing the 5% retainage requirement for professional services agreements. While retainage is common for construction contracts, it is not standard practice for professional services agreements. Houston Stronger recommends limiting retainage requirements to construction activities.

Comment Attachment:

None.

Response:

1. Removal of Benefit-Cost Analysis Requirement

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

2. Consistency with FIF Program Guidance

The TWDB will update the [FIF Program Guidance \(TWDB-0104\)](#) in the near future in order to be consistent with the SFY 2026-27 FIF IUP.

3. Regional and State Flood Plan Requirements

The State Flood Plan includes BCA as one of the ranking criteria for the recommended FMPs. It is not a requirement for FME and FMS.

4. Grant Qualifiers and Amounts

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

5. MOU Requirements

The MOU requirement was imposed by the Texas Legislature in Texas Water Code § 15.005, so the TWDB cannot remove it. The MOU requirement only applies to flood control projects (defined in 31 Texas Administrative Code § 363.402), which include the construction or rehabilitation of structural mitigation or anything that retains, diverts, redirects, impedes, or otherwise modifies the flow of water. The requirement only applies if the project watershed (defined in 31 Texas Administrative Code § 363.402 as the area upstream and downstream substantially affected by the proposed flood project, as documented in the project application, and sealed by a Professional Engineer or Professional Geoscientist) lies partially outside the

applicant's boundaries. If the project watershed lies wholly within the applicant's boundaries, no MOU is required. The requirement only necessitates MOUs with "eligible political subdivisions" (as defined in Texas Water Code § 15.531 as a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county). If applicable, the applicant must submit an MOU relating to management of the project watershed. If applicable, the MOU must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. The applicant must submit either a single MOU that includes all governing bodies of all political subdivisions required to sign or develop individual MOUs with each political subdivision or groups of political subdivisions within the watershed. All 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. This minimum standard on MOUs does not apply to FME Category projects. Although this minimum standard on MOUs does apply generally to the FMS Category, most of those projects will not meet the definition of a flood control project; therefore, this requirement will not apply to most FMS projects.

6. Phased Projects

Phased projects are not prohibited in the FIF IUP. Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF, except when a project or study is structured and submitted in multiple components or phases. If a project or study scope has been reduced from that included in the State Flood Plan, for example, due to phasing, the applicant is required to provide updated project or study data to reflect the lesser benefits than those reflected in the State Flood Plan. This requirement ensures that project scores appropriately correspond to the benefits generated by the project. If the project or study has not been reduced in scope, then it will not be re-scored, and the prioritization will be based on the State Flood Plan dataset and scoring.

7. Federal Program Comparison

See previous response to No. 6.

8. Retainage for Professional Services Agreements

A minimum retainage of five percent of project funds will be withheld, except for projects involving federal award matching funds, for which retainage will not be withheld. Any remaining retainage will be disbursed once the TWDB receives all required close-out documentation. For disbursements related to construction contracts, the TWDB will reimburse 95 percent of each outlay of the TWDB's share of eligible activities, taking into account any retainage already deducted from invoices or other supporting documents.

Change:

None.

Comment Submitted By:

Christina M. Lindsay, Harris Plus Flood Solutions, D/B/A Houston Stronger, on behalf of Alan Steinberg

Comment Date:

June 9, 2026

Comment:

1. **Removal of Benefit-Cost Analysis Requirement**
Houston Stronger strongly supports the removal of the Benefit-Cost Analysis requirement from the Draft FIUP. This is a welcome and much-needed change that will help reduce barriers for important flood mitigation projects.
2. **Consistency with FIF Program Guidance**
On Page 3, the Draft FIUP directs applicants to consult the FIF Program Guidance for additional project-specific guidance. However, the current FIF Program Guidance still includes a BCA requirement and states that a BCA greater than one is “generally preferred.” Houston Stronger recommends revising the FIF Program Guidance so that it is consistent with the Draft FIUP.
3. **Regional and State Flood Plan Requirements**
Houston Stronger recommends that TWDB make the same revision by removing BCA requirements for Flood Management Evaluations, Flood Mitigation Projects, and Flood Management Strategies to be included in Regional Flood Plans and the State Flood Plan.
4. **Grant Qualifiers and Amounts**
Houston Stronger supports the proposed changes to grant qualifiers and amounts. Unlike water and wastewater projects, flood mitigation projects generally do not generate revenue and are therefore at a significant disadvantage when it comes to repayment of loans. Increased grant funding better reflects the public benefit and financial realities of flood resiliency work.
5. **MOU Requirements**
Houston Stronger recommends removing the requirement for a Memorandum of Understanding. While collaboration between adjoining agencies is critical, an MOU can be far-reaching and onerous to obtain. In the context of flood risk mitigation, the key issue is downstream impact, which TWDB already addresses. An affidavit confirming that collaboration has occurred would meet the intent in a more practical and efficient way.
6. **Phased Projects**
Houston Stronger strongly encourages TWDB to allow phased components of larger projects or programs, regardless of how the Flood Mitigation Project is composed in the State Flood Plan. Flood mitigation projects are often large in scope, scale, and cost, making it difficult or impractical to execute them as a single project or

construction contract. These multi-year or even multi-decade programs should be evaluated as the sum of their parts rather than as isolated components.

7. Federal Program Comparison

FEMA programs such as FMA and BRIC generally do not allow a phase to stand alone unless the individual project meets program requirements, such as a BCA greater than 1.0. This has long created challenges for local agencies trying to manage large flood mitigation programs. Other federal agencies, including USACE and NRCS, allow for more flexible approaches. Houston Stronger encourages TWDB to consider a similar approach.

8. Retainage for Professional Services Agreements

Houston Stronger strongly recommends removing the 5% retainage requirement for professional services agreements. While retainage is common for construction contracts, it is not standard practice for professional services agreements. Houston Stronger recommends limiting retainage requirements to construction activities.

Comment Attachment:

None.

Response:

1. Removal of Benefit-Cost Analysis Requirement

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

2. Consistency with FIF Program Guidance

The TWDB will update the [FIF Program Guidance \(TWDB-0104\)](#) in the near future in order to be consistent with the SFY 2026-27 FIF IUP.

3. Regional and State Flood Plan Requirements

The State Flood Plan includes BCA as one of the ranking criteria for the recommended FMPs. It is not a requirement for FME and FMS.

4. Grant Qualifiers and Amounts

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

5. MOU Requirements

The MOU requirement was imposed by the Texas Legislature in Texas Water Code § 15.005, so the TWDB cannot remove it. The MOU requirement only applies to flood control projects (defined in 31 Texas Administrative Code § 363.402), which include the construction or rehabilitation of structural mitigation or anything that retains, diverts, redirects, impedes, or otherwise modifies the flow of water. The requirement only applies if the project watershed (defined in 31 Texas Administrative Code § 363.402 as the area upstream and downstream substantially affected by the proposed flood project, as documented in the project application, and sealed by a Professional Engineer or Professional Geoscientist) lies partially outside the

applicant's boundaries. If the project watershed lies wholly within the applicant's boundaries, no MOU is required. The requirement only necessitates MOUs with "eligible political subdivisions" (as defined in Texas Water Code § 15.531 as a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county). If applicable, the applicant must submit an MOU relating to management of the project watershed. If applicable, the MOU must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. The applicant must submit either a single MOU that includes all governing bodies of all political subdivisions required to sign or develop individual MOUs with each political subdivision or groups of political subdivisions within the watershed. All 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. This minimum standard on MOUs does not apply to FME Category projects. Although this minimum standard on MOUs does apply generally to the FMS Category, most of those projects will not meet the definition of a flood control project; therefore, this requirement will not apply to most FMS projects.

6. Phased Projects

Phased projects are not prohibited in the FIF IUP. Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF, except when a project or study is structured and submitted in multiple components or phases. If a project or study scope has been reduced from that included in the State Flood Plan, for example, due to phasing, the applicant is required to provide updated project or study data to reflect the lesser benefits than those reflected in the State Flood Plan. This requirement ensures that project scores appropriately correspond to the benefits generated by the project. If the project or study has not been reduced in scope, then it will not be re-scored, and the prioritization will be based on the State Flood Plan dataset and scoring.

7. Federal Program Comparison

See previous response to No. 6.

8. Retainage for Professional Services Agreements

A minimum retainage of five percent of project funds will be withheld, except for projects involving federal award matching funds, for which retainage will not be withheld. Any remaining retainage will be disbursed once the TWDB receives all required close-out documentation. For disbursements related to construction contracts, the TWDB will reimburse 95 percent of each outlay of the TWDB's share of eligible activities, taking into account any retainage already deducted from invoices or other supporting documents.

Change:

None.

Comment Submitted By:

Jim Smyle, Member (public interest) RFPG 12

Comment Date:

June 10, 2026

Comment:

The draft 26-27 Flood Infrastructure Fund (FIF) Intended Use Plan (IUP) improves geographic and economic equity, especially through the regional minimum, two-application cap, and higher grant shares for lower-capacity communities. However, TWDB should preserve or strengthen transparency safeguards by publishing clear category-allocation rationales, documenting every regional bypass, retaining meaningful early-stage public notice for FMEs, and reporting how much funding ultimately goes to planning, construction, federal match, rural/small-community projects, and nature-based or nonstructural solutions. Without those safeguards, the program may become more equitable in distribution but less transparent in how those distribution decisions are made.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Tanner Helweg, San Jacinto Regional Flood Plan Technical Consultant, on behalf of Tim Buscha (Chair), Alia Vinson (Vice Chair), Erwin Burden (Secretary), Tina Petersen, Matthew Barrett, Elisa Donovan, Connie Pothier, Paul Lock, Hanadi Rafai, Paresh Lad, Todd Burrer, Samantha Haritos, Christina Quintero, Imelda Diaz, Augustus Campbell

Comment Date:

June 10, 2026

Comment:

Comments sent to FIF@twdb.texas.gov.

Comment Attachment:**San Jacinto RFPG Flood Infrastructure Fund Intended Use Plan Comments**

The SJRFPG reviewed the draft 2026 FIF IUP issued for comment by the TWDB on May 13, 2026 and have consolidated the comments to provide as a group. We appreciate the opportunity to review and provide feedback on the draft Flood Infrastructure Fund Intended Use Plan (FIUP). The RFPG would like to offer the following comments:

Overall and Federal Award Matching Funds**1. Recommend Increasing Total FIF Funds Available**

The financial needs identified across the state in regional flood plans far exceed the amount of funds available through the FY 2026-2027 FIF competition. The RFPG recommends requesting additional funding to be appropriated to the FIF by the Texas Legislature.

2. Recommend Increasing Draft Comment Period

The 30-day period for public comments on the draft FIF IUP leaves minimal time for coordination for large groups, such as an RFPG. The RFPG recommends increasing the public comment period.

3. Currently pending applications should be considered for funding

P. 6 of the FIUP states that that "a federal application must be submitted by the abridged application submission date, and federal funds must be awarded prior to TWDB invitation to submit a full application". The RFPG requests that currently pending applications for federal funding should be considered for federal funding. In addition, will a project be ranked as an FMP and also in the federal match category if it has submitted a federal grant but not yet received an award?

4. Recommend allowing costs already incurred as matching funds towards total project cost

The TWDB should consider allowing funds already expended as the local match for a federal award program to be reimbursable through the FIF.

Minimum Standards

5. Certain requirements are limiting flood projects

Senate Bill 7 did not require the Flood Infrastructure Fund to require a signed memorandum of understanding with "all governing bodies of eligible political subdivisions in the project watershed." The continued inclusion of this requirement in the draft 2026-2027 FIUP unnecessarily creates additional hurdles to flood projects that the Legislature did not intend.

6. MOU can cause issues in watersheds with substantial overlapping political subdivisions

The RFPG understands the intent of requiring a memorandum of understanding (MOU) when a project watershed is partially outside the political subdivision filing the application. However, the requirement for a complete project application to have an MOU signed and approved by all governing bodies or eligible political subdivisions located within the watershed is not manageable or practical. This can also be problematic in watersheds with an abundance of overlapping political subdivisions. The MOU requirement can allow even one political subdivision to "hold out" and effectively veto the opportunity for a project to apply for and receive funding. We recommend an alternative that allows the sponsor to submit evidence of notification to the non-responsive political subdivisions when completing the application.

If the project is entirely within the applicant's boundaries/service area, but its boundaries overlap those of other entities, are MOUs necessary? If the project is entirely within the applicant's service area, but that service area overlaps the boundaries of other entities, must those other entities' boundaries be shown?

7. Clarification of affidavit

On P. 8, the affidavit requires holding "public meetings" and does not specify the technical requirements for the proposed project (Construction Only). Clarify the number of public meetings required and what is entailed when the technical requirements are mentioned.

8. Clarification on requested on minimum NFIP standards

How does an applicant demonstrate that they are enforcing floodplain management standards equivalent to or exceeding the NFIP minimum standards? Is active participation in the NFIP or location within the jurisdiction of sponsors who are active participants in the NFIP sufficient?

The FIUP states "projects where the applicant itself does not have floodplain management standards are not eligible unless those communities are requesting FIF funds to develop floodplain management standards". The applicant may not have jurisdiction to adopt/enforce floodplain management standards, but the project area may be covered by the standards of another entity with jurisdiction. Would the applicant be ineligible in this situation? The RFPG recommends clarifying the applicant would be eligible in this situation.

Eligibilities, Financing Details, and Grant Qualifiers by Category**9. Request clarification on how information from abridged application and relative scoring of project is applied**

The FIUP states on P. 10, that "Projects are prioritized based on information submitted in the abridged application and the relative scoring of the associated project, strategy, or evaluation based on data from Regional Flood Plans ... ". Please provide further clarification on how criteria from both the abridged application and the relative scoring of the associated project, strategy, or evaluation from regional flood plans will be applied to the prioritization of projects. Will data from the regional flood plan be used in all cases, or only in cases where the abridged application does not provide additional information?

10. Request clarification of existing federal award language

P. 14 mentions providing documentation of an existing federal award for FMEs, FMPs, and FMSs. The term "existing" is applicable at what point in the process? The situational language seems to indicate that applicants can have a pending federal award.

11. AMHI of the project area >85% of the state-wide AMHI

25% grant offered for project areas with an AMHI >85% of the state-wide AMHI is an improvement over last FIF cycle but still severely limit flood mitigation potential in flood prone areas. A community above 85% of the state-wide AMHI does not necessarily mean they can afford major flood mitigation projects. The RFPG recommends increasing the grant percentage offered.

Prioritization Criteria**12. Request clarification of Federal Match Category**

How will the new Federal Match Category be prioritized compared to other project categories? If there are no targets for funding in each category, and these are purely prioritized based on federal award date, what will keep federal match from dominating prioritization/funding?

13. Consider ways to incorporate and account for benefits projects provide during events more frequent than the 100-year event.

TWDB should consider ways to incorporate and account for benefits that projects provide during events more frequent than the 100-year storm, since many of the repetitive loss areas were constructed prior to the NFIP criteria and mapping being available.

14. Reduce weighting of criteria #13 - number of low water crossings removed from the 100-year floodplain

For FMPs, the number of low water crossings removed from 100-year floodplain criteria has the same weight as number of structures removed and number of residential structures removed combined. The RFPG recommends reducing the weight assigned to low water crossings in favor of prioritizing flood risk reduction to structures.

15. Reduce the weighting of criteria #9 - percent of structures removed from 100-year floodplain

The RFPG recommends reducing the weight of item 9 from the scoring criteria, the percent of structures removed from 100-year, as this is not in alignment with the stated objective of the statewide ranking exercise to, "primarily focus on projects with the greater potential to mitigate the risk to life and property." The percentage of structures removed from 100-year floodplain is given more weight than number of structures removed, With the current weight, this would mean that a project that removes 2 out of 2 structures could score higher than another project that removes 900 out of 1,000 structures.

16. Increase the points assigned to "Property acquisition and structural elevation" and "infrastructure projects"

"Property acquisition and structural elevation" and "infrastructure projects" may have more benefits than the others in this category and yet receive the lowest score, The RFPG recommends increasing the score of these categories.

Should you have any questions, please feel free to contact me at TBuscha@idseg.com or the San Jacinto RFPG Technical Consultant at SJRFPG.TechCon@freese.com.

Response:

Overall and Federal Award Matching Funds

1. Recommend Increasing Total FIF Funds Available

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

2. Recommend Increasing Draft Comment Period

According to 31 Texas Administrative Code Part 10, § 363.403, before the board adopts a Flood Intended Use Plan or any substantive amendments thereto, the executive administrator will provide 30 days' notice and opportunity to comment.

3. Currently pending applications should be considered for funding

Projects on the Federal Match Funding Project List will be invited based on the federal award date. To be eligible for inclusion on the Federal Match Funding List, a federal award must be issued by a federal agency before the abridged application submission deadline. The TWDB will invite projects in order of federal award date, subject to available funding. If a project receives federal award after the abridged application submission deadline, the applicant may submit an abridged application or revise a previously submitted abridged application from the current funding cycle to indicate receipt of federal matching funds. Subject to eligibility and available funding, the Federal Match Funding List may be amended to include the project at the end of the ranked list. Subject to eligibility requirements and available funding, the project may be added to the end of the ranked Federal Match Funding Project List. A project may not be included on both the Federal Match Funding Project List and the FMX Prioritization List during the same funding cycle. Each project will be assigned to only one funding category for prioritization and invitation purposes.

4. Recommend allowing costs already incurred as matching funds towards total project cost

Funds may be reimbursed if applicable state and federal (if associated with a federal matching program) procurement laws and regulations have been followed. Funds dispersed prior to May 13, 2026, are not eligible for reimbursement, with the exception of federal matching funds. Federal matching funds through the FIF will be reimbursed according to the performance of the associated federal program.

Minimum Standards

5. Certain requirements are limiting flood projects

The MOU requirement was imposed by the Texas Legislature in Texas Water Code § 15.005, so the TWDB cannot remove it. The MOU requirement only applies to flood control projects (defined in 31 Texas Administrative Code § 363.402), which include the construction or rehabilitation of structural mitigation or anything that retains, diverts, redirects, impedes, or otherwise modifies the flow of water. The requirement only applies if the project watershed (defined in 31 Texas Administrative Code § 363.402 as the area upstream and downstream substantially affected by the proposed flood project, as documented in the project application, and sealed by a Professional Engineer or Professional Geoscientist) lies partially outside the applicant's boundaries. If the project watershed lies wholly within the applicant's boundaries, no MOU is required. The requirement only necessitates MOUs with "eligible political subdivisions" (as defined in Texas Water Code § 15.531 as a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county). If applicable, the applicant must submit an MOU relating to management of the project watershed. If applicable, the MOU must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. The applicant must submit either a single MOU that includes all governing bodies of all political subdivisions required to sign or develop individual MOUs with each political subdivision or groups of political subdivisions within the watershed. All 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. This minimum standard on MOUs does not apply to FME Category projects. Although this minimum standard on MOUs does apply generally to the FMS Category, most of those projects will not meet the definition of a flood control project; therefore, this requirement will not apply to most FMS projects.

6. MOU can cause issues in watersheds with substantial overlapping political subdivisions

Please see the previous response to No. 5. An MOU is not required if the entire project watershed is within the applicant's boundaries.

7. Clarification of affidavit

In accordance with 31 Texas Administrative Code § 363.408(b)(2)(C), the eligible political subdivisions, separately or in cooperation, have held public meetings to accept comments on proposed flood projects from interested parties. The TWDB does not state the number of meetings required.

In accordance with 31 Texas Administrative Code § 363.408(b)(2)(D), if applicable, the technical requirements for the proposed flood project have been completed, they have been compared against other potential flood projects in the same area; or once the technical requirements for the proposed flood projects are complete, they will be compared against any other potential flood projects in the same watershed. A preliminary engineering feasibility report (PEFR) is required with the FIF full application. The PEFR, at a minimum, should cover the information within the General Description section of the [Guidance for the Preparation of Flood Mitigation Project Engineering Feasibility Reports \(TWDB-0554\)](#) and a description of alternatives considered, which conform to 31 TAC §363.13 – Preliminary Engineering Feasibility Data.

8. Clarification on requested on minimum NFIP standards

The intent of this requirement is to ensure that the project or planning area is subject to floodplain management standards that meet or exceed the minimum National Flood Insurance Program (NFIP) requirements. An applicant may demonstrate compliance by providing a copy of the applicable floodplain ordinance, order, or other regulatory document and certifying in the abridged application that the standards are currently being enforced.

The applicant is not required to be the entity with jurisdiction authority to adopt or enforce floodplain management standards. If the project or planning area is located within the jurisdiction of another entity that has adopted and is enforcing floodplain management standards meeting or exceeding NFIP minimum requirements, the applicant may rely on those standards to satisfy this eligibility requirement. The applicant will be required to identify the applicable jurisdiction and provide documentation of the floodplain management standards and enforcement certification.

Active participation in the NFIP by the jurisdiction with floodplain management authority will generally be considered evidence that the minimum NFIP standards are being met; however, applicants may be asked to provide additional documentation or certifications as necessary to verify compliance.

Eligibilities, Financing Details, and Grant Qualifiers by Category

9. Request clarification on how information from abridged application and relative scoring of project is applied

The ranking criteria and weights used in ranking all projects within the 2024 State Flood Plan, as required by statute, will be utilized for prioritization scoring under this IUP. Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF, except when a project or study is structured and submitted in multiple components or phases. If a project or study scope has been reduced from that included in the State Flood Plan, for example, due to phasing, the applicant is required to provide updated project or study data to reflect the lesser benefits than those reflected in the State Flood Plan. This requirement ensures that project scores appropriately correspond to the benefits generated by the project. If the project or

study has not been reduced in scope, then it will not be re-scored, and the prioritization will be based on the State Flood Plan dataset and scoring.

The federal match funding project list will be invited based on the federal award date. An abridged application may be submitted if the applicant has applied for federal funding and has not been awarded; however, the project will not be given a ranked number. The applicant must inform TWDB when the federal award has been made. The TWDB will continue to invite projects based on the federal award date as funding allows.

After the abridged applications have been separated into their respective FIF categories, the following criteria will be utilized for scoring and prioritization, with the addition of the updated flood planning data, as necessary.

Category	Criteria	Points	Methodology
FME	Project's technical merits ¹	Score based on state flood planning criteria and methodology	The technical merit score is based on the ranking criteria and methodology in the 2024 State Flood Plan.
	AMHI that is ≤85% the statewide AMHI	10	Additional points if the entity's study area has an AMHI that is ≤85% the statewide AMHI.
FMP	Project's technical merits ¹	Score based on state flood planning criteria and methodology	The technical merit score is based on the ranking criteria and methodology in the 2024 State Flood Plan.
FMS	Project's technical merits ¹	Score based on state flood planning criteria and methodology	The technical merit score is based on the ranking criteria and methodology in the 2024 State Flood Plan.
Federal Match	Federal award date	Prioritization is based on the federal award date of the applicant	Projects ranked in chronological order of when the applicant received the federal award

Tiebreaker: The tie is broken in favor of the project with the highest SVI².

¹ See Appendix A, 2024 State Flood Plan criteria and associated weights used to rank recommended FME, FMP, and FMS.

² The Social Vulnerability Index (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. Average SVI of the benefitting area is verified using the [SVI Interactive Map](#). May use the Census tract or County data depending on the size and shape of the benefitting area. Applicant must filter for "Statewide" and "2022".

10. Request clarification of existing federal award language

Projects on the Federal Match Funding Project List will be invited based on the federal award date. To be eligible for inclusion on the Federal Match Funding List, a federal award must be issued by a federal agency before the abridged application

submission deadline. The TWDB will invite projects in order of federal award date, subject to available funding. If a project receives federal award after the abridged application submission deadline, the applicant may submit an abridged application or revise a previously submitted abridged application from the current funding cycle to indicate receipt of federal matching funds. Subject to eligibility and available funding, the Federal Match Funding List may be amended to include the project at the end of the ranked list. Subject to eligibility requirements and available funding, the project may be added to the end of the ranked Federal Match Funding Project List. A project may not be included on both the Federal Match Funding Project List and the FMX Prioritization List during the same funding cycle. Each project will be assigned to only one funding category for prioritization and invitation purposes.

11. AMHI of the project area >85% of the state-wide AMHI

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

Prioritization Criteria

12. Request clarification of Federal Match Category

Please see the previous response to No. 10. In addition, the TWDB will allocate funds after the abridged application submittal deadline and will evaluate and allocate based on the funding requests per prioritization list.

13. Consider ways to incorporate and account for benefits projects provide during events more frequent than the 100-year event

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

14. Reduce weighting of criteria #13 - number of low water crossings removed from the 100-year floodplain

The State Flood Plan ranking forms a portion of the FIF funding prioritization. The 2024 State Flood Plan ranking process, criteria, and weights were developed via extensive stakeholder feedback. The 2024 State Flood Plan was adopted by the TWDB board in August 2024. The State Flood Plan ranking process may be revisited during the development of the next state flood plan. Stakeholders are strongly encouraged to provide feedback during the state flood plan ranking process for potential future changes to the State Flood Plan ranking criteria and weights.

15. Reduce the weighting of criteria #9 - percent of structures removed from 100-year floodplain

Please see the previous response to No. 14.

16. Increase the points assigned to "Property acquisition and structural elevation" and "infrastructure projects"

Please see the previous response to No. 14.

Change:

None.

Comment Submitted By:

Michelle Ferguson, Tom Green County

Comment Date:

June 11, 2026

Comment:

Living in West Texas teaches a person pretty quickly that when it rains, it doesn't always rain where it's needed, and when it does come, it can come all at once.

The July 2025 flood reminded a lot of folks in Tom Green County just how vulnerable our roads, low water crossings, drainage systems, and waterways can be. Many of these roads aren't just routes from Point A to Point B, they're how families get home, how kids get to school, how ranchers move equipment and livestock, and how emergency responders reach people when they need help the most.

Programs like the Flood Infrastructure Fund are especially important for rural communities. Counties like Tom Green maintain hundreds of miles of roads and drainage infrastructure spread across a large geographic area. Local governments work hard to keep up, but some projects are simply bigger than local budgets can handle alone.

As the Board develops the 2026–2027 Intended Use Plan, continued support for practical projects such as low water crossing improvements, culvert replacements, drainage upgrades, flood warning systems, watershed planning, and regional flood mitigation efforts is encouraged. Consideration should also be given to brush management and watershed restoration projects that improve the health and function of our creeks, rivers, and drainage basins. In many parts of West Texas, invasive brush has altered natural water movement and contributed to flooding concerns during major rainfall events.

Another area deserving of continued emphasis is mitigation funding for low water crossings and rural off-system bridges. Across rural Texas, these crossings often serve as the only access route for residents, ranches, agricultural operations, school buses, and emergency services. When floodwaters overtop these structures, entire areas can become isolated for hours or even days. Investments that replace vulnerable crossings, improve bridge capacity, or harden critical transportation links provide long-term public safety benefits and help keep rural communities connected during and after severe weather events.

These aren't flashy projects, but they're the kind that make a real difference when the next heavy rain comes through.

The reality is that flood mitigation is a lot cheaper than flood recovery. Investing in these projects before disaster strikes helps protect lives, keeps communities connected, strengthens water resources, and saves taxpayer dollars in the long run.

Thank you for continuing to invest in communities in and around Tom Green County and the many rural areas across Texas that depend on strong infrastructure, healthy watersheds, and commonsense planning to stay safe and keep moving forward.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Bobby Mengden, Client Services Manager / Pape-Dawson

Comment Date:

June 11, 2026

Comment:

1. We have been approached by some small communities that want to combine their projects (for example City and County with overlapping drainage master plans) to get scored higher during the next round of FIF allocations. Is that something the Board is considering?
2. Would they need to submit some kind of variance or abridged application to combine projects?
3. When is it anticipated that the next round of FMX's selections will be made?

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

1. One abridged application must be submitted for each FME, FMP, or FMS respectively and cannot be combined. Each abridged application should describe a proposed project from a single category with a single associated 9-digit, Regional Flood Plan unique ID (identification) number reference (each starting with the 2-digit regional flood planning area number) and project name that corresponds to the specific, recommended FME, FMP, or FMS in the Regional Flood Plan. A list of the names and unique IDs may be found in the corresponding Regional Flood Plan and, for convenience, is also provided on the [TWDB FIF webpage](#). The ranking criteria and weights used to rank all projects within the 2024 State Flood Plan, as required by statute, will be utilized for prioritization scoring under this IUP; therefore, individual FME/FMP/FMSs cannot be combined. Abridged applications may only be combined into one project record if they are invited at the same time. The communities may contact the regional flood planning group to propose changes to FMXs for future regional flood plans.
2. Please see the previous response to No. 1.
3. The abridged applications submitted for the SFY 2026-27 FIF IUP cycle will be considered for the FMX project prioritization lists. The projects will be invited based on the guidelines in the SFY 2026-27 FIF IUP.

Change:

None.

Comment Submitted By:

Debbie Reid, Greater Edwards Aquifer Alliance

Comment Date:

June 11, 2026

Comment:

1. Concur with the elimination of BCA, adjustments to grant/loan ratios and the less restrictive requirements to qualify for grant funding for Nature-based Solutions.
2. And while land conservation (without buyouts) appears to be promoted, it is more of a "risk avoidance" strategy than removing structures within the floodplain strategy without additional restoration or BMP implementations. Since the level of risk avoidance can be calculated it is encouraged to include this within the proposal. In addition, groundwater recharge can be calculated and when meeting criteria should be able to qualify for water supply points as in other US regions.
3. Having a requirement to meet the minimum national flood insurance program development standards is a good step, but if development standards on uplands cause increases in future floodplain areas then managing future flooding will continue to be beyond reach. Prioritizing and or incentivizing communities that have higher development standards and or participate in the FEMA Community Rating System will assist in reducing future flood risks.
4. There is concern for the time limits on entities to be able to sign off on their funding commitments especially for smaller communities without direct revenue streams for such and those within lower AMHI areas. Recommend additional time to be given.
5. Concerns if a region limits their application(s) to less desirable project(s) knowing that they are guaranteed a project. Will there be a project list and will there be a minimum ranking required?

Comment Attachment:

None.

Response:

1. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
2. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
3. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

4. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
5. The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP. The TWDB will score abridged applications utilizing the criteria and methodology used to rank all projects for the 2024 State Flood Plan, in addition to the criteria listed under the IUP. The resulting scores will determine the prioritization of funding for this FIF IUP cycle. Abridged applications will be listed separately on one of four lists (FME, FMP, FMS, and Federal Match) in order from the highest to lowest scores. The abridged application is to be submitted by the eligible application, which are political subdivisions (all FMXs) and nonprofit water supply corporations formed under Texas Water Code Chapter 67 (FMEs only). Regional flood planning groups may assist at the discretion of the applicant.

Change:

None.

Comment Submitted By:

Marie Camino, The Nature Conservancy in Texas, on behalf of Justin Kozak

Comment Date:

June 12, 2026

Comment:

Chair Stepney, Commissioner Morgan, and Commissioner Franks,
Thank you for the opportunity to provide comment on the 2027 draft 2026-2027 Flood Infrastructure Fund Intended Use Plan. The Nature Conservancy in Texas (TNC) has worked to preserve and protect over one million acres of land and over 200 miles of rivers and streams across our great state. Overall, TNC is very encouraged by the direction of these changes and believes they are a meaningful step toward addressing concerns raised in prior funding rounds.

TNC regularly engages with the Texas Water Development Board on projects such as the upcoming Nature-Based Solutions for Flood Resilience in Texas guidance manual. A few changes stand out as very supportive towards Nature-Based Solutions (NBS). First, the inclusion of conservation easements among the examples of NBS. Recognizing this approach helps broaden the range of eligible strategies and reflects the many co-benefits of land conservation, including flood control. TNC is also supportive of changing the NBS grant percentage to align with the weighting given to NBS in the project scoring criteria. This will help create a more internally consistent framework. While there is always room to further incentivize NBS, this is a constructive step.

Also positive is the removal of the Benefit-Cost Analysis (BCA) requirement from the abridged application for Flood Management Planning (FMP) projects. Requiring a BCA at the initial stage has historically posed a barrier for low-capacity applicants. Limiting the BCA requirement to the full application stage creates a more accessible process and helps ensure that smaller entities are not discouraged from applying. These adjustments could improve project feasibility and may expand participation.

TNC also supports the decision to eliminate preset funding targets for different project categories (FMS/FMP/FME). This allows the applicant pool to determine how funds are allocated creating a more flexible and responsive program structure that better aligns funding with demand and project readiness.

It is also meaningful that the project scoring framework remains largely consistent with the State Flood Plan criteria while adding a targeted benefit for lower-income communities. The additional 10 points for FME projects located in areas below 85% of the statewide AMHI is a positive adjustment that will help support projects serving rural and economically disadvantaged areas in the ranking process.

One aspect of the draft IUP that warrants continued discussion is the approach of funding one FME, FMS, and FMP project from each region prior to selecting FMXs based on ranking. While this can promote broader geographic participation in state and regional flood

Planning, especially amongst regions that may otherwise be less competitive due to lower population or property values, it is not strictly a merit-based model. Additional clarity on guardrails would be helpful to ensure that guaranteeing regional funding would not inadvertently incentivize lower-quality projects or create opportunities for gamesmanship. Clear standards could help balance inclusivity with program effectiveness.

Overall, these updates appear to directly respond to feedback from prior funding rounds by reducing barriers to entry, improving equity considerations, and increasing program flexibility. TNC appreciates TWDB's leadership and responsiveness and looks forward to continued engagement as the FIF evolves.

Thank you for your consideration of our comments,

Comment Attachment:

Same as above.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Allison Hanson, Senior Project Coordinator / Dallas Water Utilities

Comment Date:

June 12, 2026

Comment:

Program Overview (Page 3): Can the link to 31 Texas Administrative Code (TAC) Part 10, Chapter 363 be provided? There are other hyperlinks in the pdf.

Flood Mitigation Project Category (Page 6): The second paragraph should read Planning, Acquisition, Design, Construction, Rehabilitation, and Implementation are eligible for this category. 2nd and 3rd paragraphs read strangely as written with this statement first.

Step 5: Close on Financial Assistance (Page 11): 6 months for closing on grant only projects is recommended because 4 months is challenging for political subdivisions that have to go before council and boards. Additionally, flexibility from application to award would be helpful as some entities may advance work in the time between and modifications should be accommodated in the interest of public safety.

Limits and Funding Caps (Page 18): Recommend increasing the FMP grant cap to \$30M as construction costs have increased significantly.

Release of Funds – Outlays, Escrow Releases, and Other Methods of Disbursements (Page 20): Retainage should not be held on non-construction project funds. The applicant is required to adopt 100% of services without any provisions for retainage on non-construction projects.

Comment Attachment:

None.

Response:

Program Overview: Here is the link to [31 Texas Administrative Code \(TAC\) Part 10, Chapter 363](#). The link will be added to the final IUP.

Flood Mitigation Project Category: Proposed activities must be a recommended Flood Mitigation Project (FMP) in a Regional Flood Plan. Under this category, eligible applicants may undertake activities to construct or rehabilitate structural flood mitigation improvements or implement non-structural improvements. Planning, acquisition, design, and construction are eligible phases to be funded under the FMP Category. The planning phase may include feasibility analyses, detailed hydraulic and hydrological studies, activities to obtain regulatory approval, and coordination of other related work. The planning, acquisition, and design phases may include activities related to planning, land acquisition, and/or design of the project. The construction phase may include construction and rehabilitation activities,

but may also include demolition, decommissioning, and other activities not necessarily thought of as construction.

Close on Financial Assistance: The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

Limits and Funding Caps: The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

Release of Funds: A minimum retainage of five percent of project funds will be withheld, except for projects involving federal award matching funds, for which retainage will not be withheld. Any remaining retainage will be disbursed once the TWDB receives all required close-out documentation. For disbursements related to construction contracts, the TWDB will reimburse 95 percent of each outlay of the TWDB's share of eligible activities, taking into account any retainage already deducted from invoices or other supporting documents.

Change: The link to 31 Texas Administrative Code (TAC) Part 10, Chapter 363 is added to the final IUP.

None.

Comment Submitted By:

Marlisa Briggs, President/North Houston Association, on behalf of NHA Membership and Board of Directors

Comment Date:

June 12, 2026

Comment:

Comments emailed in letter below.

Comment Attachment:

The North Houston Association (NHA) is a regional business association that focuses on quality infrastructure and development in north Harris County, the entirety of Montgomery County and a portion of Waller County. We appreciate the opportunity to review and provide comments on the Texas Water Development Board's (TWDB) Flood Infrastructure Fund (FIF) Intended Use Plan (IUP) for FY 2026–2027.

NHA and its members are grateful to the Texas Legislature and TWDB for establishing and continuing this important funding program to help communities address drainage and flooding challenges statewide. We also appreciate TWDB's responsiveness to prior comments and questions. Some of the changes highlighted in the opening section of the IUP represent meaningful improvements to the program.

In addition to those updates, we offer the following comments and recommendations for consideration:

1. Grant Percentage Structure and AMHI Thresholds

The revised funding structure within the Flood Mitigation Project (FMP) category provides substantial benefit to communities at or below 85% of the statewide Annual Median Household Income (AMHI). However, the drop-off in grant percentage around the 85% AMHI threshold is steep. For example, a project at 84% AMHI is eligible for 75% grant funding, while a project at 86% AMHI drops to 25%. Given that drainage infrastructure is typically underfunded at the local level, many communities do not have the resources to cover large matching requirements. We recommend:

- Increasing overall grant funding availability; and
- Introducing additional AMHI tiers to create a more gradual transition in funding percentages.

2. Regional Set-Asides and Project Value

The IUP indicates that each region will receive at least one project invitation in each category, bypassing initial prioritization if necessary. While this approach supports geographic equity, it introduces a risk that a substantive portion of the overall limited funding could be allocated to projects with relatively low benefit. We recommend that TWDB retain discretion to evaluate whether a project provides meaningful benefit relative to its cost, even within the regional allocation framework. For example, a high-

cost project serving only a small number of structures may not be the best use of limited funds when compared to higher-impact projects in other regions.

3. Application Schedule Clarity

The IUP includes closing deadline timeframes for commitments but does not outline a schedule for the abridged or full application phases. This lack of clarity makes it difficult for local entities to plan budgets and allocate funds. We recommend providing estimated timelines for:

- a. Abridged application submittal and review
- b. Notification of advancement to full application
- c. Full application submittal and award decisions

4. Phased Project Delivery

Flood mitigation projects are often large, complex, and implemented over multiple years. The current framework limits the ability to fund phased components unless they align with how projects are defined in the State Flood Plan. We strongly encourage TWDB to allow phased project implementation regardless of how the FMP is structured in the State Flood Plan. Many federal programs (e.g., USACE, NRCS) successfully use this approach.

An example is where initial project phases focus on mitigation or detention to avoid downstream impacts of other project phases such as channelization. While essential, these early phases may not independently score well, even though they are required for the overall project to proceed. Allowing phased funding, but scoring based on the ultimate build out, would better reflect how these projects may be delivered and could enable meaningful progress.

5. Updating Project Data and Benefits

Since adoption of the 2024 State Flood Plan, some project sponsors have developed updated information regarding project scope, cost, and benefits.

We recommend allowing applicants to submit updated data with abridged applications for consideration during scoring, particularly where existing plan data is outdated or no longer accurate.

6. Future Funding for Phased Projects

Clarification is requested on whether phased projects that receive funding in this cycle will be prioritized in future funding cycles. Providing continuity for multi-phase projects would improve long-term program effectiveness.

7. Reimbursement of Local Match for Federal Projects

We recommend that TWDB consider allowing previously expended local funds used to meet match requirements for federal flood mitigation projects to be reimbursable through the FIF program. This would ease financial burdens on local sponsors and encourage participation in layered funding strategies.

8. Reimbursement of Local Match

We recommend that TWDB consider allowing previously expended local funds used to complete projects be reimbursable through the FIF program. This could help incentivize entities to continue project delivery while going through the grant process and ease

financial burdens on local sponsors. Previous expenditures by an entity also indicate a prior and therefore likely future commitment to implement the project.

9. MOU Requirement

The current requirement for a Memorandum of Understanding (MOU) between entities can be burdensome and time-consuming to obtain. While coordination among jurisdictions is critical, particularly regarding downstream impacts, this objective is already addressed in other program requirements.

We recommend replacing the MOU requirement with an affidavit confirming that coordination has occurred. This approach maintains the intent of regional collaboration while simplifying the process for applicants.

Thank you for providing the opportunity to provide input on this important matter.

Response:

1. Grant Percentage Structure and AMHI Thresholds

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

2. Regional Set-Asides and Project Value

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

3. Application Schedule Clarity

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

4. Phased Project Delivery

The ranking criteria and weights used in ranking all projects within the 2024 State Flood Plan, as required by statute, will be utilized for prioritization scoring under this IUP.

Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF, except when a project or study is structured and submitted in multiple components or phases. If a project or study scope has been reduced from that included in the State Flood Plan, for example, due to phasing, the applicant is required to provide updated project or study data to reflect the lesser benefits than those reflected in the State Flood Plan. This requirement ensures that project scores appropriately correspond to the benefits generated by the project.

5. Updating Project Data and Benefits

All applicants must complete the SFY 2026-27 Data Change Request Form. The form must be submitted before the Abridged Application due date for the information to be considered during the eligibility and prioritization review. Updated data will be used for re-ranking only when the project or study has been reduced in scope or phased.

Updated data must reflect the reduced benefits so that prioritization scores correspond to the benefits generated by the project. Projects that have not been reduced in scope or phased will not be re-scored; however, the updated data will assist during the abridged application consistency reviews with the State Flood Plan. Prioritization for projects that have not been reduced in scope or phased will continue to be based on the State Flood Plan dataset and ranking.

6. Future Funding for Phased Projects

Applicants may apply each funding cycle for a previously funded project until that project is fully funded and completed.

7. Reimbursement of Local Match for Federal Projects

Funds may be reimbursed if applicable state and federal (if associated with federal matching program) procurement laws and regulations have been followed. Funds dispersed prior to May 13, 2026, are not eligible for reimbursement, with the exception of federal matching funds. Federal matching funds through the FIF will be reimbursed according to the performance of the associated federal program.

8. Reimbursement of Local Match

See previous response to No. 7.

9. MOU Requirement

The MOU requirement was imposed by the Texas Legislature in Texas Water Code § 15.005, so the TWDB cannot remove it. The MOU requirement only applies to flood control projects (defined in 31 Texas Administrative Code § 363.402), which include the construction or rehabilitation of structural mitigation or anything that retains, diverts, redirects, impedes, or otherwise modifies the flow of water. The requirement only applies if the project watershed (defined in 31 Texas Administrative Code § 363.402 as the area upstream and downstream substantially affected by the proposed flood project, as documented in the project application, and sealed by a Professional Engineer or Professional Geoscientist) lies partially outside the applicant's boundaries. If the project watershed lies wholly within the applicant's boundaries, no MOU is required. The requirement only necessitates MOUs with "eligible political subdivisions" (as defined in Texas Water Code § 15.531 as a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county). If applicable, the applicant must submit an MOU relating to management of the project watershed. If applicable, the MOU must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. The applicant must submit either a single MOU that includes all governing bodies of all political subdivisions required to sign or develop individual MOUs with each political subdivision or groups of political subdivisions within the watershed. All 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. This minimum standard on MOUs does not apply to FME Category projects. Although this minimum standard on MOUs does apply generally to the FMS Category, most of those projects will not meet the definition of a flood control project; therefore, this requirement will not apply to most FMS projects.

Change:

None.

Comment Submitted By:

Aarón Burciaga, Local Government Coordinator/Rio Grande Council of Governments/Upper Rio Grande Reginal Flood Planning Group, on behalf of Upper Rio Grande Regional Flood Planning Group

Comment Date:

June 12, 2026

Comment:

- 1.) Prioritize one project or study from each RFPG within each category
 - a.) If a Region does not or would not have any projects/studies/other eligible for funding or all sponsors within a Region do not submit applications within a category, allow that funding to be allocated to that Region within another category.
 - b.) Will sponsors be able to influence the selection of an application for funding after application?
 - I.) For example, assume there are two projects in the same region and same category with the same sponsor, ranked statewide as #3 and #10, and no other projects from the region in that category. Would the sponsor be able to select the project ranked as #10 for the one project or study with the region in that category, and let the #3 ranked project compete for remaining funds given its higher statewide ranking?
- 2.) Phased Projects, Category Funding Caps, Benefits
 - a.) With the changes in funding caps, large projects will need to be broken up into phases which highlight some concerns. For example a large basin project may have two phases requiring funding, land acquisition, and construction.
 - b.) How should we calculate the benefits of a phased project? The land acquisition phase of the project would have very low benefit, potentially zero, while the construction phase would have very large benefits.
- 3.) Asset Management Plans
 - a.) Would it be possible to submit for funding to develop, implement, and operate stormwater asset management plans under the draft FIF IUP?
 - b.) If not, would TWDB consider adding language to support stormwater asset management plans?
4. Operations and Maintenance Funding
 - a.) The draft FIF IUP specifically excludes O&M costs, which continue to be an issue for large communities with large asset catalogues requiring and small communities with lack of funding sources.
 - b.) As a result, projects are being designed to reduce O&M at additional cost with expanded capacity or planned rehabilitation expenses.
Would it be possible to find a way include O&M costs as part of infrastructure funding?

Comment Attachment:

None.

Response:

- 1.) Prioritize one project or study from each RFPG within each category
 - a.) The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
 - b.) Projects will be invited to apply based on the prioritization and selection process criteria as stated in the FIF IUP.

- 2.) Phased Projects, Category Funding Caps, Benefits
 - a.) The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
 - b.) Sometimes large projects are phased to break the costs into manageable pieces that may be easier to fund; in order to conduct independent BCAs, each phase of these projects should be able to provide benefits regardless of whether subsequent phases are constructed. If a particular phase of a project does not have independent utility, it is important to remember that that phase's portion of the costs used for a BCA must match the portion used to calculate the benefits for the BCA, even if those costs are greater than the amount of funding that is being requested from a particular funding program

- 3.) Asset Management Plans
 - a) Stormwater asset management plans are eligible projects that can be recommended on the State Flood Plan.
 - b) See previous response.

4. Operations and Maintenance Funding
 - a.) The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
 - b) Operations and maintenance (O&M) costs are not eligible costs under the FIF program. According to 31 TAC § 363.408(b)(6), for the FMP and FMS Categories, applicants for construction funds must document within the complete application that they have planned for operations and maintenance costs associated with the proposed facilities.

Change:

None.

Comment Submitted By:

Matthew Barrett, Water Resources and Flood Management Division Manager / San Jacinto River Authority

Comment Date:

June 12, 2026

Comment:

1. Regarding item 7 under Significant Program Changes (page 3) – while the desire to spread program funds across the state is understandable, SJRA recommends that TWDB retain the flexibility to use judgement and determine whether projects are viable and beneficial before automatically awarding 1 project from each FMX category to each region of the state. To provide an extreme example: if a region's only FMP is a \$15M project that only benefits two homes, that project should not necessarily automatically be awarded.
2. Regarding "Eligible Projects" (Page 4) – Will projects included in amended regional flood plans, but not yet incorporated in the State Flood Plan, be eligible for FIF funding? SJRA strongly recommends that these projects be eligible.
3. SJRA recommends that phasing of projects be allowed, even if this results in partial projects from regional flood plans/the State Flood Plan being implemented. Large scale regional flood mitigation projects are costly, time-consuming, and difficult to implement. As much flexibility as possible should be provided in project eligibility. SJRA also recommends that scoring of phased projects consider the ultimate completion of all phases, though in such a way that prevents abuse of the flexibility provided.
4. SJRA recommends that applicants be allowed to update project data from what was included in the State Flood Plan/amended regional flood plans, to ensure the latest and most accurate data is utilized in scoring.
5. Regarding "Minimum Standards" (Page 7) – SJRA recommends that MOU requirements be reduced, if allowed by statute, to allow proof of attempt to coordinate with all applicable political subdivisions instead of actual MOUs with all applicable political subdivisions. This will prevent unresponsive and/or unwilling political subdivisions from stopping a project that other political subdivisions support. The applicant should still have to guarantee no negative impact to other entities. SJRA also recommends clarification as to whether an entity must get an MOU with entities whom its boundaries overlap as opposed to abut (i.e., if the proposed project is fully within the boundaries of each party, must they have an MOU?).
6. Regarding "National Floodplain Insurance Program" (Page 8) – An applicant may not have jurisdiction to adopt/enforce floodplain management standards, but the project area may be covered by the standards of another entity with jurisdiction. Would the applicant be ineligible in this situation based on the IUP language which states "Additionally, projects where the applicant itself does not have floodplain management standards are not eligible unless those communities are requesting FIF funds to develop floodplain management standards"? SJRA strongly recommends that entities without floodplain management standards be allowed to submit an application as long as the appropriate entity with such standards certifies that standards are in place in the project area.

7. Regarding "Prioritization Criteria" table (Page 13) – SJRA recommends clarification as to how Federal Match awards will be prioritized to ensure that such awards do not overwhelm the other categories (since the Federal Match category does not have scoring and there are no target/maximum dollar amounts set for the different categories at this time).
8. Regarding "FMP Grant Qualifier" table (Page 15) – SJRA strongly recommends that higher FMP grant percentages be offered for projects in areas with AMHI >85% of the state-wide AMHI. The drop from 75% grant funding (≤85% of state-wide AMHI) to 25% (>85% of state-wide AMHI) is drastic. An entity at 86% of the statewide AMHI only being offered 25% grant funding while an entity at 84% of the statewide-AMHI is offered 75% grant funding helps demonstrate the issue. TWDB could consider the addition of more AMHI % tiers to provide a more gradual tapering of grant percentage offered.
9. Regarding "Appendix A" (Page 21) – SJRA recommends that TWDB consider incorporating risks/benefits associated with storm events more frequent than the 100-year event.
10. Regarding "Appendix A" (Page 21) – SJRA recommends TWDB consider increasing the points provided for "Property acquisition and structural elevation" and "Infrastructure projects" on line 20 of the spreadsheet.
11. SJRA recommends that TWDB consider allowing reimbursement of an applicant's previous expenditures as either Federal Match or the local match portion of FMX categories."

Comment Attachment:

None.

Response:

1. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
2. FIF eligible FMXs recommended in the board approved 2023 Amended Regional Flood Plans are eligible for the SFY 2026-27 FIF funding cycle.
3. The ranking criteria and weights used in ranking all projects within the 2024 State Flood Plan, as required by statute, will be utilized for prioritization scoring under this IUP. Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF, except when a project or study is structured and submitted in multiple components or phases. If a project or study scope has been reduced from that included in the State Flood Plan, for example, due to phasing, the applicant is required to provide updated project or study data to reflect the lesser benefits than those reflected in the State Flood Plan. This requirement ensures that project scores appropriately correspond to the benefits generated by the project.
4. The applicants will be allowed to update project data from what was included in the State Flood Plan/amended regional flood plans. However, unless a project or study has been phased or reduced in scope, it will not be re-scored, and the prioritization will be based on the State Flood Plan dataset and scoring. The applicant will be given the opportunity to provide revised SFP data to assist in the consistency review; however, projects that are not phased or reduced in scope will not be re-scored.
5. The MOU requirement was imposed by the Texas Legislature in Texas Water Code § 15.005, so the TWDB cannot remove it. The MOU requirement only applies to flood

control projects (defined in 31 Texas Administrative Code § 363.402), which include the construction or rehabilitation of structural mitigation or anything that retains, diverts, redirects, impedes, or otherwise modifies the flow of water. The requirement only applies if the project watershed (defined in 31 Texas Administrative Code § 363.402 as the area upstream and downstream substantially affected by the proposed flood project, as documented in the project application, and sealed by a Professional Engineer or Professional Geoscientist) lies partially outside the applicant's boundaries. If the project watershed lies wholly within the applicant's boundaries, no MOU is required. The requirement only necessitates MOUs with "eligible political subdivisions" (as defined in Texas Water Code § 15.531 as a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county). If applicable, the applicant must submit an MOU relating to management of the project watershed. If applicable, the MOU must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. The applicant must submit either a single MOU that includes all governing bodies of all political subdivisions required to sign or develop individual MOUs with each political subdivision or groups of political subdivisions within the watershed. All 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. This minimum standard on MOUs does not apply to FME Category projects. Although this minimum standard on MOUs does apply generally to the FMS Category, most of those projects will not meet the definition of a flood control project; therefore, this requirement will not apply to most FMS projects.

6. The intent of this requirement is to ensure that the project or planning area is subject to floodplain management standards that meet or exceed the minimum National Flood Insurance Program (NFIP) requirements. An applicant may demonstrate compliance by providing a copy of the applicable floodplain ordinance, order, or other regulatory document and certifying in the abridged application that the standards are currently being enforced.

The applicant is not required to be the entity with jurisdictional authority to adopt or enforce floodplain management standards. If the project or planning area is located within the jurisdiction of another entity that has adopted and is enforcing floodplain management standards meeting or exceeding NFIP minimum requirements, the applicant may rely on those standards to satisfy this eligibility requirement. The applicant will be required to identify the applicable jurisdiction and provide documentation of the floodplain management standards and enforcement certification.

Active participation in the NFIP by the jurisdiction with floodplain management authority will generally be considered evidence that the minimum NFIP standards are being met; however, applicants may be asked to provide additional documentation or certifications as necessary to verify compliance.

7. Abridged applications will be listed separately on one of four lists (FME, FMP, FMS, and Federal Match) in order from the highest to lowest scores. Projects on the Federal Match Funding Project List will be invited based on the federal award date. To be eligible for inclusion on the Federal Match Funding List, a federal award must be issued by a federal agency before the abridged application submission deadline. The TWDB will invite projects in order of federal award date, subject to available funding. If a project receives federal award after the abridged application submission deadline, the applicant

may submit an abridged application or revise a previously submitted abridged application from the current funding cycle to indicate receipt of federal matching funds. Subject to eligibility and available funding, the Federal Match Funding List may be amended to include the project at the end of the ranked list. Subject to eligibility requirements and available funding, the project may be added to the end of the ranked Federal Match Funding Project List. A project may not be included on both the Federal Match Funding Project List and the FMX Prioritization List during the same funding cycle. Each project will be assigned to only one funding category for prioritization and invitation purposes.

8. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
9. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
10. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
11. Funds dispersed prior to May 13, 2026, are not eligible for reimbursement, with the exception of federal matching funds. Federal matching funds through the FIF will be reimbursed according to the performance of the associated federal program.

Change:

None.

Comment Submitted By:

Tom Entsminger, Policy Director, Texas Coast and Water Program / National Wildlife Federation on behalf of Texas Living Waters coalition members: NWF, Sierra Club Lone Star Chapter, The Nature Conservancy of Texas, Galveston Bay Foundation, Bayou City Waterkeeper, and Hill Country Alliance

Comment Date:

June 12, 2026

Comment:

The following comments are submitted on behalf of Texas Living Waters, a coalition whose members believe the FIF program is not only a valuable resource for the protection of lives and property but an opportunity to “get it right” by prioritizing and incentivizing strategies that protect, restore, and mimic the natural environment. Considering the harrowing floods Texas communities have experienced throughout our state’s history and the potential for increased FIF funding capacity through new appropriations or transfers from the Texas Water Fund, all Texans stand to benefit from a strong, well-resourced, and thoughtfully administered FIF program. Recognizing the IUP’s important role as a bridge between the appropriation of funds and their disbursement to Texas communities, we appreciate the opportunity to review this draft.

Nature-based solutions (NbS) are cost-effective, durable strategies that can protect lives and property while providing additional benefits such as water purification and carbon storage, but their benefits can be difficult to capture in the models for calculating Benefit-Cost Analysis (BCA) for “hard” infrastructure projects. We applaud the decision to remove the BCA as a Minimum Requirement in the application process, which will improve the accessibility of FIF funds for NbS projects and supports recommendation 2.3.3 for improved flood plain management from the 2024 State Flood Plan: “Seek ways to provide funding and incentives for incorporating nature-based solutions.” The time spent wrestling with BCA calculations and other requirements can become costly, so the update also improves equitable access to FIF by lowering the hurdle faced by applicants.

We also support the updated and simplified set of grant qualifiers, which raises the low end of the grant scale in each of the four eligible activity categories. Notably, the 5% grant available for NbS projects is now easier to obtain since it has been decoupled from unrelated qualifiers. These are welcome changes, since NbS and flood mitigation activities in general can be difficult for many eligible applicants to finance under the primarily loan-based structure of TWDB’s other programs, and generous terms can bring projects within reach for small, rural, or resource-limited communities.

The 2026-2027 IUP includes several adjustments that resolve comments we provided on the 2024 IUP. We deeply appreciate these thoughtful changes and believe they strengthen the program:

- Clarified bypass procedure
- Removal of the 5-year eligibility window for federal award matching funds

- Increased grant percentages, and making grants for NbS available to all applicants (as noted above)

While we commend the TWDB for changes that make FIF more accessible, the TWDB application process itself remains a substantial task for applicants, and widespread implementation of flood plan recommendations will require FIF to be utilized by communities with a wide range of administrative and financial capacities. The IUP helpfully lists several examples of directly project-related activities that are eligible for FIF funding, but it is unclear whether costs incurred to complete the application (or other relevant technical assistance) are also eligible. Reimbursement for grant writing expenses is a factor in funding accessibility, and details on the eligibility of these costs would be valuable to first-time applicants. We recommend clarifying the eligibility of these costs in the final IUP.

While the IUP for this FIF solicitation includes several positive updates, outreach will be the key to ensuring eligible applicants are aware of the opportunity. Special consideration should be given to reaching eligible applicants that are not attuned to standard TWDB communications channels, for example those that do not also operate water or wastewater utilities. Focused communications efforts should also be undertaken periodically to inform eligible applicants about the Flood Information Clearinghouse should offer a mailing list feature to alert interested parties about new funding opportunities.

Thank you for the opportunity to comment on the draft IUP. We are confident that several of the changes made for this solicitation are positive, but others can only be judged in the context of the abridged applications received. For example, limitations on grants and overall funding per application seem reasonable but may need to be reconsidered based on the average cost of submitted projects. We look forward to providing additional comments on details like these in the context of the Project Priority List when it is available.

Comment Attachment:

Same as the comment submitted.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP. Costs incurred to complete the application or other technical assistance are eligible to be reimbursed. Funds dispersed prior to May 13, 2026, are not eligible for reimbursement, with the exception of federal matching funds. Federal matching funds through the FIF will be reimbursed according to the performance of the associated federal program.

The TWDB outreach staff hold several financial assistance workshops throughout the year to educate the public on financial assistance programs and funding opportunities. In addition, the public can sign up for the TWDB mailing list to learn more about financial assistance programs and funding opportunities.

Change:

None.

Comment Submitted By:

Krista Bethune Melnar, Practice Director/Freese and Nichols, Inc., on behalf of David Rivera, Maggie Puckett, Tanner Helweg

Comment Date:

June 12, 2026

Comment:

Thank you for the opportunity to provide feedback on this draft FIF IUP as it ties the efforts of the State Flood Planning process with much needed funding. The comments provided herein represent a compilation of feedback from FNI staff and leadership who worked across 12 out of the 15 flood planning regions to develop Regional Flood Plans (RFPs) and support sponsors in applying for and securing FIF funding.

General Comments on the FIF IUP:

1. The financial need identified in the amended RFPs far exceeds the funding available in the SFY 2026-2027 Draft IUP, as seen in the oversubscription of applications during the FY24-25 FIF application. Consider distributing portions of the Texas Water Fund to supplement the \$312.4M being made available this cycle.
2. Clarify within the IUP whether or under what terms a sponsor may be reimbursed for funds already expended on an FMP, FME, or FMS ahead of the funding assistance being awarded.
3. Can an applicant pursue a funding match as well as FIF funding? Do the funding limitations per application apply to the federal matching? Does the percent of grant limits apply to federal matching projects? In addition, confirm that FY24-25 FEMA programs are eligible for matching funds.
4. Do the additional requirements and exceptions discussed on Page 9 apply to the FIF program? It appears that these requirements only apply to FMEs funded through the Research and Planning Fund. It is not clear how the Research and Planning Fund is related to the SFY 2026-2027 FIF IUP. How do councils of government and planning commissions apply for an FME through the Research and Planning fund?

State Flood Plan Ranking/Prioritization:

1. TWDB should consider ways to incorporate and account for benefits that projects provide during events more frequent than the 100-year storm, since many of the repetitive loss areas were constructed prior to the NFIP criteria and mapping being available. TWDB should incorporate consideration for benefits in the 10-year event in future IUPs following submittal of the 2028 RFPs which will include information on the 10-year event.
2. The application appears to focus primarily on benefits associated with the 100-year storm event. Is there any consideration being given to incorporating larger flood

events into the evaluation? This is particularly relevant for dam safety projects, which are typically designed to address more extreme events. It should be noted that minimum hydraulic capacity requirements for dams, regardless of hazard classification, is stipulated by Texas Administrative Code Chapter (TAC) 299.15 and expressed as percentages of the Probable Maximum Flood (PMF). Including larger flood scenarios could allow these projects to be more fully recognized and potentially rank higher.

3. Are there plans to account for people at risk due to potential dam or levee failure? A fundamental aspect of evaluating dam and levee safety is quantifying the Population-At-Risk (PAR) in the event of a failure. Many dams and levees in need of rehabilitation provide flood risk reduction benefits for more frequent (i.e. smaller) flood events and are typically assumed to continue functioning for events larger than the 100-year storm. However, dam owners often lack the funding needed to properly ensure these structures meet minimum State-required hydraulic requirements. Incorporating this risk into the evaluation could better reflect the true benefits and risks these projects provide to the downstream populations.
4. How will a project be ranked if it has submitted a federal grant but not yet received an award? Will it be ranked as an FMP as well as in the federal matching category?

2026-27 Project Solicitation

1. Can project data be updated as part of the abridged application process? Will projects be re-prioritized following the receipt of abridged applications? Page 10 of IUP provides a methodology for updating project data, but page 12 says that prioritization will be based on State Flood Plan data. These two provisions appear to conflict, and FNI requests that TWDB clarify how updated data submitted with an abridged application will be used. Specifically, whether it can influence prioritization scoring or grant percentage determinations when new or better data is available, provided the project is functionally equivalent to the one listed in the State Flood Plan.
2. FNI recommends that TWDB consider allowing updated project data to be used for rescoring, subject to the following conditions:
 - a. The project must remain functionally equivalent to the entry in the State Flood Plan. Projects that differ materially in scope, location, or intent should remain ineligible under the existing standard.
 - b. Updates should be limited to corrections to existing scoring criteria inputs, such as updated structure counts, corrected population figures, or improved terrain-based flood depth estimates; rather than updates based on entirely new technical methodologies or analyses.
 - c. The applicant must provide written justification clearly explaining the reason for the change and demonstrating that the project's functional intent has not changed. This is consistent with the disclosure process already established on page 10 and would reduce the volume of RFIs during TWDB's review.
 - d. Updated data should also be considered for grant percentage determination, particularly where corrections to population or income data affect AMHI-based grant qualifier calculations. Allowing limited, well-justified data updates would

improve the accuracy of prioritization without opening the door to scope changes, which should remain grounds for ineligibility.

Eligibilities, Financing Details, and Grant Qualifiers by Category

1. The percentage of grant offered to a sponsor with project area's AMHI greater than 85% is an improvement from the last FIF cycle but is still a limitation to implementing flood mitigation projects in flood prone areas. Consider increasing the grant percentage offered to project areas with larger AMHIs.

Various Inconsistencies or Minor Updates:

1. On page 11, a general timeframe for Step 5: Close on Financial Assistance was provided. Please consider adding general timeframes for each of the other steps in the process, in addition to step 5, to assist sponsors in planning and preparing for financial commitments.
2. Clarify the eligible applicants. The Texas Constitution indicates a commission is a political subdivision of the state; as such, is it only eligible for FME funding?
3. Note on ranked FMXs that there are authorities with "FME_ID not found in Sponsor_Lookup" and discrepancies between FMX and sponsor. An example of this discrepancy is Midland County FMEs are associated with "Andrews County" as the sponsor.

Comment Attachment:

Same as the comment submitted.

Response:

General Comments on the FIF IUP:

1. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
2. The IUP states funds may be reimbursed if applicable state and federal (if associated with federal matching program) procurement laws and regulations have been followed. Funds dispersed prior to May 13, 2026, are not eligible for reimbursement, with the exception of federal matching funds. Federal matching funds through the FIF will be reimbursed according to the performance of the associated federal program.
3. An applicant may be ranked on the prioritization list according to the assigned FMX category or on the federal match list. A project cannot be ranked on both. The funding caps apply to federal match projects. The restriction regarding no single entity being able to receive financial assistance for more than two abridged application requests within a single FIF category does not apply to federal match projects. The FY 2024-25 FEMA programs are eligible for matching funds as long as the project is eligible for FIF. Note that a federal application must be submitted by the abridged application submission date, and federal funds must be awarded prior to TWDB invitation to submit a full application.
4. The "Additional Requirements and Exceptions for Flood Management Evaluation Category" on pg. 9 apply only to the FME category. FME applicants that are not

cities, counties, districts or authorities have to follow the additional Research and Planning requirements. The Texas Water Code 15.534(a)(8)) allows for FIF funds to be transferred to the research and planning fund created under Section 15.402 for these entities.

State Flood Plan Ranking/Prioritization:

1. The State Flood Plan ranking forms a portion of the FIF funding prioritization. The 2024 State Flood plan ranking process, criteria, and weights were developed via extensive stakeholder feedback. The 2024 State Flood Plan was approved by the TWDB board in August 2024. The State Flood Plan ranking process will be revisited during the development of the next state flood plan. TWDB expects to consider ways to incorporate and account for benefits that projects provide during events more frequently than the 100-year storm during the next SFP ranking process. Stakeholders are strongly encouraged to provide feedback during the state flood plan ranking process for potential future changes to the State Flood plan ranking criteria and weights.
2. Please incorporate this information during the regional flood planning process so it can be considered in the future, as applicable. Please consider providing feedback during the regional flood planning feedback opportunities. Stakeholders are strongly encouraged to provide feedback during the state flood plan ranking process for potential future changes to the State Flood plan ranking criteria and weights.
3. Please incorporate this information during the regional flood planning process so it can be considered in the future, as applicable.
4. Projects on the Federal Match Funding Project List will be invited based on the federal award date. To be eligible for inclusion on the Federal Match Funding List, a federal award must be issued by a federal agency before the abridged application submission deadline. The TWDB will invite projects in order of federal award date, subject to available funding. If a project receives federal award after the abridged application submission deadline, the applicant may submit an abridged application or revise a previously submitted abridged application from the current funding cycle to indicate receipt of federal matching funds. Subject to eligibility and available funding, the Federal Match Funding List may be amended to include the project at the end of the ranked list. Subject to eligibility requirements and available funding, the project may be added to the end of the ranked Federal Match Funding Project List. A project may not be included on both the Federal Match Funding Project List and the FMX Prioritization List during the same funding cycle. Each project will be assigned to only one funding category for prioritization and invitation purposes.

2026-27 Project Solicitation

1. The ranking criteria and weights used in ranking all projects within the 2024 State Flood Plan, as required by statute, will be utilized for prioritization scoring under this IUP. Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF, except when a project or study is structured and submitted in multiple components or phases. If a project or study scope has been reduced from that included in the State Flood Plan, for example, due to phasing, the applicant is required to provide updated project or study data to reflect the lesser benefits than those reflected in the State Flood Plan. This requirement ensures that project scores appropriately correspond to the benefits generated by the project.

If the data has changed and the project is not being phased or reduced in scope, the TWDB will still request the updated data for the purpose of consistency reviews with the SFP. Please note that if the project or study has not been reduced in scope, then it will not be re-scored, and the prioritization will be based on the State Flood Plan dataset and scoring.

2. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

Eligibilities, Financing Details, and Grant Qualifiers by Category

1. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

Various Inconsistencies or Minor Updates:

1. The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.
2. Political subdivisions are eligible to apply for FIF financial assistance. Specifically, eligible entities include cities, counties, and districts or authorities created under Article III, Section 52, or Article XVI, Section 59 of the Texas Constitution. Other political subdivisions and nonprofit water supply corporations formed under Texas Water Code Chapter 67 are eligible only for financial assistance under the Flood Management Evaluation (FME) category.
3. The TWDB appreciates receiving this comment regarding FMX Sponsor Names that have discrepancies or appear as "FME_ID not found in Sponsor_Lookup". The project list originates from the attribute table of the FME feature class. The Regional Flood Planning Groups are responsible for ensuring that data submitted is complete and accurate. The SPONSOR_ID field in the FME feature class is intended to reference the ENTITY_ID field from the Entities feature class. Discrepancies such as FMEs being associated with an incorrect Sponsor likely resulted from an incorrect ENTITY_ID being entered during data submission. To prevent this issue in future project lists, we plan to include Sponsor Name to the FME feature class to provide an additional validation check to ensure data are consistent.

Change:

None.

Comment Submitted By:

Jack Krolkowski, American Flood Coalition

Comment Date:

June 12, 2026

Comment:

The current 5 percentage point bonus for projects meeting the 30% nature-based solution (NBS) threshold is insufficient to meaningfully incentivize NBS flood mitigation projects. Increasing this bonus to at least 10 percentage points would better align grant incentives with the state's interest in promoting nature-based approaches. To ensure project effectiveness, applicants should be required to demonstrate technical feasibility by citing consistency with TWDB's Nature-based Solutions for Flood Mitigation in Texas guidance. Accommodating this increase may require either raising the maximum grant percentage from 85% to 90% or adjusting the combinations of NBS, rural, and AMHI criteria to ensure the full 10 percentage point benefit is achievable across applicant profiles (or both).

The American Flood Coalition (AFC) is a 501(c)3 nonprofit organization and nonpartisan coalition with over 500 members nationwide, including state legislators, county judges, mayors, and city council members across Texas. We focus on working with communities, state agencies, lawmakers, and other key stakeholders to advance solutions to flooding. AFC public comments on a particular policy, program, or unique piece of legislation does not imply the endorsement of the individual members of AFC. Likewise, if an individual member of the Coalition offers public comment on a particular policy, program, or piece of legislation, such support does not imply endorsement of the Coalition.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Jonathan St. Romain, Partnerships and Programs Division Director, Harris County Flood Control District

Comment Date:

June 12, 2026

Comment:

Same as Comment Attachment below.

Comment Attachment:**Public Comments: TWDB Flood Infrastructure Fund SFY 2026-2027 Draft IUP**

Prepared for: Harris County Flood Control District (HCFCD)

Executive Summary: The Texas Water Development Board (TWDB) is seeking public comment on its draft Intended Use Plan (IUP) for the SFY 2026–2027 Flood Infrastructure Fund (FIF). The program offers \$312.4 million in financial assistance — grants and 0% interest loans — for flood planning, design, environmental permitting, and construction of flood mitigation infrastructure across Texas.

1. COMMENT #1 Overarching Concern

The IUP's structural reforms assume a model applicant that is a small-to-mid-sized entity with a handful of projects. Harris County Flood Control District's institutional structure — a Constitutional special-purpose district— does not fit that model. Without explicit accommodations, will organizations like HCFCD be governed by rules designed for a very different kind of entity?

2. COMMENT #2 Scale-Proportionate Application Limits

HCFCD supports TWDB's goal of broad distribution of FIF resources. However, the proposed uniform two-application cap does not account for the scale of an entity's State Flood Plan portfolio or the population it serves. Harris County Flood Control District manages flood infrastructure for 4.7 million residents and has incorporated over \$3 billion in projects into the State Flood Plan. Limiting HCFCD to two applications per category per cycle — identical to the limit applied to an entity with one or two projects — penalizes organizational efficiency and comprehensive flood planning.

HCFCD requests that TWDB establish a scaled mechanism: entities with 10 or more projects in the State Flood Plan in a given category should be permitted to submit up to four applications per category per cycle. Alternatively, TWDB could establish a separate track or explicit exception for county-level flood control districts operating under Constitutional authority, whose missions, scales, and community obligations are categorically different from smaller local entities.

3. **COMMENT #3 Application Cap**

HCFCF requests that TWDB clarify how the application cap applies to interdependent projects sharing a watershed — for example, a channel improvement project and an upstream detention basin that are separate plan entries but function as a single flood reduction unit. Partial funding of one without the other may deliver a disproportionately small share of the modeled flood benefits

4. **COMMENT #4 – Regional Bypass Guardrails and Weightings**

HCFCF supports geographic equity as a program goal. However, the IUP as drafted gives TWDB broad discretion to bypass higher-scored projects with no defined limits. HCFCF requests that TWDB: (1) define a minimum score threshold below which a project cannot be invited via bypass; (2) limit the bypass mechanism to one round per cycle per category so that merit-based ranking governs all subsequent invitations; and (3) publish the rationale for each bypass decision in the Board meeting record to ensure transparency.

5. **COMMENT #5 – Regional Bypass Guardrails and Weightings**

HCFCF further requests that TWDB evaluate whether the flat one-invitation-per-region approach should be weighted by population, documented flood risk, or size of the eligible project pipeline, so that regions with substantially greater flood exposure receive proportionate consideration.

6. **COMMENT #6 — Federal Match Award Timing**

The proposed requirement that federal funds be awarded prior to TWDB's invitation to submit a full application is more restrictive than the prior cycle (award by commitment date). For FEMA BRIC, HUD CDBG-DR, and USACE programs, award timelines are unpredictable and often extend well past the abridged application stage.

HCFCF requests that TWDB either: (a) restore the prior standard — federal award required by the TWDB commitment date — or (b) allow a conditional invitation for projects where a federal award is pending, subject to confirmation before commitment. This flexibility would ensure that large urban districts with active federal partnerships are not disqualified due to federal administrative delays outside their control.

7. **COMMENT #7 — FMP Grant Cap for Large Infrastructure**

The \$15M per-application FMP grant cap limits FIF's utility for the largest, highest-impact projects in the State Flood Plan. Many of HCFCF's priority projects — regional detention basins, major channel improvements, watershed-scale conveyance projects — have total eligible costs well above \$15M. The two-application cap compounds this constraint.

HCFCF requests that TWDB adopt a tiered cap structure: \$15M for projects with total eligible costs under \$50M, and \$30M for projects with eligible costs exceeding \$50M. HCFCF also requests that TWDB clarify the Executive Administrator's waiver authority with published criteria, so large entities can understand when and how to request exceptions.

8. COMMENT #8 — AMHI Calculation Methodology and Data Currency

The FMP grant formula is now a binary cliff: 75% for project areas at or below 85% of the statewide AMHI, and only 25% for those above it. Harris County's overall contains enormous income variation. HCFCD requests that TWDB publish detailed written guidance on how 'project area AMHI' is calculated before the abridged application deadline. Specifically: (1) which census geographic unit is used (census tract, block group, county) and how multiple units are aggregated; (2) whether the project area is defined by the construction footprint, the structures benefitted, or the watershed boundary; and (3) the precise statewide AMHI baseline figure and the ACS data vintage being applied.

HCFCD notes that ACS 5-year estimates lag current conditions in rapidly changing urban areas, and requests that TWDB flag any data that appears materially outdated for specific Harris County watersheds.

9. COMMENT #9 — In-Kind Cap for FME Loans

The proposed \$100,000 in-kind cap on FME loan substitution is inadequate for large watershed studies. HCFCD requests that TWDB raise the cap to at least \$500,000 or establish a percentage-based cap — for example, 25% of total FME eligible costs, whichever is greater.

10. COMMENT #10 — SB7 Guidance Before Applications Open

HCFCD requests that TWDB publish detailed guidance on the new SB7 water conveyance easement analysis requirement before the abridged application solicitation period opens. Applicants need clarity on: the level of analysis required; what documentation satisfies the easement assessment; and whether this analysis affects project timelines or scoring. Absent early guidance, applications may be deemed deficient for ambiguous reasons.

11. COMMENT #11 — Scope Updates and Rescoring

The IUP requires that each abridged application match the exact project scope in the State Flood Plan, referenced by a unique 9-digit plan ID. Any reduction in scope — due to phasing, land acquisition changes, cost escalation, or design modifications since plan adoption — triggers a rescoring requirement that could lower a project's prioritization ranking. For a large district with an active project portfolio that has evolved since the 2024 Regional Flood Plan was adopted, these unknowns limits the organization's ability to strategically apply for appropriate funding. How can organizations work with TWDB to avoid these material compliance risks before funding opportunities arise? And how can organizations strategize the funding of projects that evolve and must be completed in phases so that the State Flood Plan may be a viable component of a complex funding structure?

12. COMMENT #12 — SB7 Guidance Before Applications Open

HCFCD requests clarity: is the GLO sub-award structure for CDBG-DR qualified as a 'federal award' for purposes of this track.

13. COMMENT # 13 — Federal Match Prioritization List

HCFCFCD is supportive of the creation of a dedicated federal match prioritization list — separate from FME/FMP/FMS—which is exempt from the 2-app cap.

14. COMMENT #14 — BCA Removal

HCFCFCD is supportive of the removal of the BCAs as a requirement at the abridged application stage for any category. This removes a significant administrative cost from the first phase of each application cycle. Organizations will be able to redirect resources to project design and engineering, accelerating construction readiness.

15. COMMENT#15 — Local Financial Improvements

HCFCFCD is very supportive of the significant financial improvement in the 2026–27 IUP—near-doubling of grant percentages across all three categories: FMP, FME, and FMS . Each FIF dollar secured stretches further, directly reducing the local share burden on taxpayers and any Bond Program funding.

16. COMMENT #16 —Nature Based Solutions

HCFCFCD is very supportive of the change to remove the income qualifier for projects for the Nature-Based Solutions bonus. HCFCFCD supports the idea that any FMP project — regardless of AMHI — qualifies for the additional 5% if the threshold is met.

17. COMMENT #17 —Grant Coverage

The near-100% grant coverage for FME and FMS applications make these categories more approachable for HCFCFCD; HCFCFCD is supportive of that change.

Response:**1. COMMENT #1 Overarching Concern**

The TWDB appreciates the concern regarding the diversity of applicant types across Texas. The SFY 2026–2027 FIF IUP was intentionally designed to accommodate all eligible entities, including large, constitutionally created special-purpose districts such as Harris County Flood Control District. The IUP’s structural framework is meant to be scalable, allowing both small communities with limited staff and large organizations managing extensive, multi-level staffing and programs to seek financial assistance.

2. COMMENT #2 Scale-Proportionate Application Limits

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

3. COMMENT #3 Application Cap

No single entity will be able to receive financial assistance for more than two abridged application requests within a single FIF category. This is to ensure that financial assistance is distributed more broadly. One abridged application must be submitted for each FME, FMP, or FMS respectively and cannot be combined. Each abridged application should describe a proposed project from a single category with a single associated 9-digit, Regional Flood Plan unique ID (identification) number reference (each starting with the 2-digit regional flood planning area number) and

project name that corresponds to the specific, recommended FME, FMP, or FMS in the Regional Flood Plan.

4. COMMENT #4 – Regional Bypass Guardrails and Weightings

The TWDB will initially bypass ranked projects in order to invite at least one project or study from each regional flood planning group within each category, as funding permits. If funding remains after each regional flood planning group receives an invitation to apply, then the following invitations will be based on the rank order.

5. COMMENT #5 – Regional Bypass Guardrails and Weightings

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

6. COMMENT #6 — Federal Match Award Timing

Projects on the Federal Match Funding Project List will be invited based on the federal award date. To be eligible for inclusion on the Federal Match Funding List, a federal award must be issued by a federal agency before the abridged application submission deadline. The TWDB will invite projects in order of federal award date, subject to available funding. If a project receives federal award after the abridged application submission deadline, the applicant may submit an abridged application or revise a previously submitted abridged application from the current funding cycle to indicate receipt of federal matching funds. Subject to eligibility and available funding, the Federal Match Funding List may be amended to include the project at the end of the ranked list. Subject to eligibility requirements and available funding, the project may be added to the end of the ranked Federal Match Funding Project List. A project may not be included on both the Federal Match Funding Project List and the FMX Prioritization List during the same funding cycle. Each project will be assigned to only one funding category for prioritization and invitation purposes.

7. COMMENT #7 — FMP Grant Cap for Large Infrastructure

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

8. COMMENT #8 — AMHI Calculation Methodology and Data Currency

The AMHI data is from the U.S. Census Bureau 2024 American Community Survey (ACS) 5-year estimates. For the FME Category, the AMHI calculated will be for the study area. For the FMP & FMS Categories, the AMHI calculated will be for the project area. TWDB is creating an AMHI/SVI worksheet that the applicant will submit with the abridged application. For AMHI, the applicant will choose the geographic census area (i.e., county, census tract, block group) and the average AMHI will automatically calculated.

9. COMMENT #9 — In-Kind Cap for FME Loans

The required data may be obtained from the U.S. Census Bureau 2024 ACS 5-year estimates found on the TWDB website. The required data may also be obtained directly from the U.S. Census Bureau.

10. COMMENT #10 — SB7 Guidance Before Applications Open

Please note that this requirement is only for water supply conveyance projects. We are in the process of updating the guidance documents for the FIF program and engineering feasibility reports. It is anticipated that they will be available in 2027 technical standards, best management practices, and general guidance to facilitate interconnectivity, interoperability, and integration.

11. COMMENT #11 — Scope Updates and Rescoring

TWDB acknowledges and appreciates that flood risk reduction projects and studies evolve over time. The applicants will be allowed to update project data from what

was included in the State Flood Plan/amended regional flood plans. However, unless a project or study has been reduced in scope, it will not be re-scored, and the prioritization will be based on the State Flood Plan dataset and scoring. The applicant will be given the opportunity to provide revised SFP data to assist in the consistency review; however, projects that are not phased or reduced in scope will not be re-scored. This requirement ensures that project scores appropriately correspond to the benefits generated by the project.

12. COMMENT #12 — SB7 Guidance Before Applications Open

Yes, projects that have been awarded the GLO sub-award structure for CDBG-DR are eligible to receive federal match funds through the FIF program.

13. COMMENT # 13 — Federal Match Prioritization List

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

14. COMMENT #14 — BCA Removal

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

15. COMMENT#15 — Local Financial Improvements

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

16. COMMENT #16 —Nature Based Solutions

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

17. COMMENT #17 —Grant Coverage

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Alison Reese, COO/Simplicity Integration, Inc., on behalf of Beth Bruce

Comment Date:

June 12, 2026

Comment:

Introduction

Simplicity Integration, Inc. appreciates the opportunity to provide comments on the Draft State Fiscal Years 2026–2027 Flood Infrastructure Fund (FIF) Intended Use Plan (IUP).

As a Texas-based company focused on advancing real-time and predictive flood and water intelligence, providing low-cost, zero infrastructure early warning systems, and integrated emergency response solutions, we work with local governments, utilities, and regional partners to support flood preparedness, operational decision-making, and long-term water resource understanding and conservation.

We commend the Texas Water Development Board (TWDB) for its leadership in implementing the State Flood Plan and advancing investments that protect communities across Texas. The Draft IUP reflects meaningful progress in prioritizing regional coordination, risk reduction, and resilience.

Our comments are intended to support TWDB's objectives by strengthening the role of real-time data, improving access for communities of all sizes, and ensuring that investments made today contribute not only to emergency response, but also to a more comprehensive understanding of water movement, availability, and risk across the state and across jurisdictions over time.

Priority Recommendations

1. Establish a Streamlined Funding Path for Small-Scale, High-Impact Projects

We respectfully recommend that TWDB establish a simplified application and approval pathway for smaller-scale flood mitigation and warning projects, particularly those with total project costs between **\$10,000 and \$250,000**.

Many communities, especially rural jurisdictions and smaller districts, face immediate flood risks but lack the administrative and technical capacity to pursue large, complex funding opportunities. At the same time, advancements in monitoring and warning technologies have made it possible to deploy highly effective, lower-cost solutions that can be implemented rapidly and deliver meaningful safety benefits as well as help the district to understand their specific water challenge better, in order to find effective solutions or mitigation to minimize the flooding in the future.

A streamlined funding track would:

- Enable **rapid deployment** of flood monitoring and early warning systems
- Expand access for **rural and resource-constrained communities**
- Support **pilot projects** that can scale into broader regional systems
- Align administrative requirements with **project size and complexity**
- Accelerate **time-to-impact** for public safety improvements
- Provide much needed water level and behavioral data across unmonitored regions of data gaps to enhance overall state flood planning and understanding.

In many cases, these projects can be deployed in **weeks rather than years**, providing immediate risk reduction ahead of future flood events.

2. Address Fragmentation and Improve Statewide Data Integration

Across Texas, flood monitoring and warning systems have evolved in a highly decentralized manner, resulting in a patchwork of platforms, data sources, and communication methods that vary significantly by jurisdiction.

While many local and regional entities have made meaningful investments, the lack of consistent data integration and interoperability makes it difficult to obtain a unified, real-time understanding of conditions—particularly during multi-jurisdictional flood events.

This fragmentation can:

- Limit situational awareness
- Delay coordinated response efforts
- Create inconsistencies in information shared across jurisdictions

We encourage TWDB to continue advancing approaches that improve **data consistency, interoperability, and cross-jurisdictional visibility**, ensuring that information can be effectively shared and utilized across the state.

3. Recognize Flood Data as Critical to Both Emergency Response and Water Resource Management

Flood monitoring systems play a critical role not only in emergency response, but also in building a long-term understanding of how water moves across Texas.

We recommend that TWDB explicitly recognize that investments in flood data systems support dual objectives:

- **Immediate life safety and emergency response**
- **Long-term water resource planning and management**

Over time, consistent and integrated data collection can help the state better understand:

- Where water is **concentrated or constrained**
- Where water is **scarce or underutilized**
- How water moves across **watersheds, regions, and infrastructure systems**

This information is essential to informing future decisions around water supply, infrastructure investment, and resilience planning.

Without a more coordinated and less fragmented approach to data collection and integration, it will be difficult for the state to fully realize these benefits. A more unified framework—supported by consistent standards, shared data architecture, and coordinated implementation—will be critical to long-term success.

4. Support Early Deployment Based on Local Knowledge

Local jurisdictions and emergency responders often possess well-established knowledge of areas with recurring or elevated flood risk based on historical events and operational experience.

Enabling these stakeholders to deploy targeted monitoring and warning resources in known risk locations—while broader engineering studies and regional planning efforts continue—can provide immediate and meaningful life safety benefits.

This approach allows communities to take practical, near-term action to improve situational awareness and emergency response, rather than delaying deployment until larger-scale analyses are complete.

At the same time, these early deployments contribute to the development of valuable datasets that can:

- Inform future engineering and planning efforts
- Determine critical gaps in monitoring that need to be addressed
- Support regional coordination
- Enhance the effectiveness of predictive and analytical tools over time

This model is particularly well-suited to smaller-scale projects, where targeted deployments can be implemented quickly and cost-effectively while contributing to broader statewide data and planning objectives. The FIF's FME grant offering would be a great place to consider offering these pilot programs in easier to access grants for smaller budgeted projects. Making a clear and simple pathway to gain microgrants (up to \$100K) clear to small jurisdictions would open the door for smaller projects to be executed quickly, which addresses the current challenges that most small jurisdictions worry about but do not have the resources to address.

5. Clarify Eligibility of Operational Intelligence and Warning Systems

We recommend that TWDB explicitly clarify that eligible flood infrastructure includes:

- Real-time monitoring and sensor networks
- Telemetry and communications systems
- Data integration and analytics platforms
- Automated alerting and emergency notification systems

These systems are **core public safety infrastructure** and essential to modern flood risk management.

6. Elevate Early Warning Systems as a Defined Project Category

We recommend establishing early flood warning and emergency communication systems as a clearly defined project category.

This would:

- Improve accessibility for smaller jurisdictions
- Encourage proactive investments
- Strengthen life safety outcomes

7. Recognize the Value of Integrated Systems

We recommend that scoring criteria recognize integrated systems that combine sensing, communications, analytics, and automated response/alerting capabilities.

Integrated approaches deliver greater value and greatly reduce operational and integration risks vs. isolated components and improve overall system effectiveness.

8. Increase Emphasis on Real-Time Decision Support

We encourage increased emphasis on projects that provide **real-time situational awareness and actionable decision support** for emergency responders and local officials.

9. Clarify Eligibility of Communications Infrastructure

Communications systems are essential to the operation of monitoring and warning systems and should be clearly recognized as eligible components.

10. Support Regional Data Sharing and Interoperability

We encourage prioritization of projects that enable data sharing across jurisdictions and integration with regional and state systems. This prioritization will further enhance overall understanding of water movement across jurisdictions within the state and allow every size municipality to have a clear understanding of real-time and predictive data that becomes more accurate with more and comprehensive data across multiple jurisdictions.

11. Address Lifecycle Funding and Sustainability

We recommend providing clarity around funding for operations, maintenance, and software/platform services to ensure long-term system effectiveness. Utilize a scoring system that prioritizes low ongoing maintenance costs that can help to ensure communities can sustain a high functioning system outside of the grants timeline and which provides

valuable data day to day as well as when any emergency or situation arises in the long term.

12. Ensure Policies Support Regional and Multi-Partner Solutions

We encourage TWDB to ensure that funding structures support and encourage—not limit—regional and multi-jurisdictional collaboration.

13. Recognize Cybersecurity as a Core Component

Cybersecurity should be recognized as an essential element of modern flood infrastructure systems, and scoring evaluation should award points for certifications and exceeding minimum standards.

Conclusion

The Draft SFY 2026–2027 Flood Infrastructure Fund IUP represents a strong foundation for advancing flood resilience across Texas.

By strengthening support for:

- smaller-scale, rapid deployment projects that are easier to secure for all sizes of municipalities
- integrated and interoperable data systems
- early warning and real-time decision tools
- and the long-term value of flood data for water resource management

TWDB can further enhance the effectiveness and reach of this program.

A more coordinated and less fragmented approach to flood data and system implementation will be critical to ensuring that investments made today not only improve immediate response capabilities but also build the knowledge base needed to manage water resources across Texas for decades to come.

Simplicity Integration appreciates the opportunity to provide input and welcomes continued engagement as these programs evolve.

Comment Attachment:

Same as the comment submitted.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Russ Poppe, Fort Bend County Drainage District

Comment Date:

June 12, 2026

Comment:

Thank you for the opportunity to provide comments on the 2026-2027 Draft Flood Intended Use Plan (FIUP). We appreciate the Texas Water Development Board (TWDB) seeking input on the criteria and guidance that will be used to make critical decisions regarding the state's significant investments in flood risk reduction projects across Texas. Please consider the following as you finalize the FIUP and begin the process to award funds for much needed flood resiliency projects across the State of Texas.

- Page 3, Item 1 regarding the removal of the Benefit Cost Analysis (BCA) – We support the removal of the BCA for multiple reasons including the ambiguity in calculation methods and the disadvantage it creates for justifying projects in areas with low property values. However, having a means to determine a project's efficiency is appropriate. For instance, dividing the project cost by the number of structures benefitted by the project gives a measure of efficiency regardless of the structure's value. We also recommend that the "FIF Program Guidance" be modified to be consistent with the FIUP once the BCA requirement is removed and that subsequent evaluations to officially place FMPs in the State Flood Plan also do not require a BCA.
- Page 3, Item 9 regarding grant qualifiers and grant percentages – We appreciate the TWDB making more grants available and increasing the grant percentages. In most cases, local match for flood risk reduction projects or debt service payments for loans must come from ad valorem taxes which can be difficult given the revenue caps in place.
- Page 6 regarding federal award matching funds – We support having the option to use TWDB funding as local match to federal grants. However, federal grant timelines may not always align with the TWDB abridged application deadline so we urge more schedule flexibility for local sponsors needing to use TWDB funding as local match.
- Page 7 regarding minimum standards on Memorandums of Understanding (MOU) – we recommend maintaining some flexibility on when MOUs will be required. The TWDB already requires that FMPs not have adverse impacts, and in some cases, a letter of support could suffice versus having to go through a more formal MOU process which could delay projects. The additional requirement of having an affidavit confirming that collaboration has occurred is an additional safety factor and, coupled with letters of support, could suffice in most instances.
- Page 11 regarding phased projects – We strongly encourage consideration for allowing a phased project approach for large, complex, and expensive projects. For example, the US Army Corps of Engineers has a process for subdividing projects into separable elements and discrete segments, which allows large projects to be progressed incrementally including

having metrics (such as a BCA) and costs for each project component that can function with independent utility. For the multi-hundred million dollar and billion-dollar FMPs in the State Flood Plan, a phased approach may be the only way these large projects get implemented without creating an overly burdensome financial situation for the state or local entity. We recommend that once the initial phase of a large project is implemented with support from the TWDB that subsequent project phase applications be given some preferential considerations so large, phased projects have an opportunity to achieve completion in a reasonable timeframe.

We certainly appreciate the opportunity to provide input on the draft FIUP and the TWDB's effort to continually promote and fund projects that will make Texas more resilient to natural disasters.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP. The TWDB will update the [FIF Program Guidance \(TWDB-0104\)](#) in the near future in order to be consistent with the SFY 2026-27 FIF IUP.

Change:

None.

Comment Submitted By:

Raul Sesin, Hidalgo County Drainage District No. 1

Comment Date:

June 12, 2026

Comment:

I am writing on behalf of Hidalgo County Drainage District No. 1 (HCDD1) to provide comments regarding the State Fiscal Year 2026–2027 Flood Infrastructure Fund (FIF) Intended Use Plan (IUP).

First, I would like to express our sincere appreciation to the Texas Water Development Board (TWDB) and its staff for their leadership and continued dedication to addressing Texas' water and flood management challenges. HCDD1 has been a beneficiary of the Flood Infrastructure Fund program, which has provided critical assistance to communities across the state in implementing flood mitigation projects that improve drainage infrastructure and enhance public safety.

HCDD1 is currently implementing a FIF-funded project awarded under the 2020 funding cycle, and we are also ranked No. 8 in the 2024–2025 Flood Mitigation Projects category. As an active participant in the program, we believe there are opportunities to improve the efficiency and transparency of the funding process so that these much-needed projects can move forward in a timelier manner.

While project rankings were released in April 2025, HCDD1 and other ranked applicants are still awaiting notification regarding funding awards. In addition, there has been limited communication regarding the status of the funding cycle since the rankings were published. We respectfully suggest that TWDB consider providing periodic updates—whether quarterly or semiannually—to ranked applicants regarding the status of available funding, anticipated award schedules, and program implementation timelines. Enhanced communication would provide greater certainty to local sponsors and assist communities in planning and budgeting for critical flood mitigation improvements.

Additionally, we encourage TWDB to consider awarding additional evaluation points to applicants whose projects were previously ranked but did not receive funding due solely to program funding constraints. Providing such consideration, particularly for cost effective projects with a benefit-cost ratio greater than one, would help advance high-priority flood mitigation projects while recognizing the significant effort and resources already invested by local sponsors in the application process.

Through voter-approved bond elections, HCDD1 is investing \$385 million in local funding toward flood mitigation efforts and remains committed to leveraging these resources to address critical drainage needs throughout our district. However, the magnitude and cost of flood mitigation projects often exceed the financial capacity of local entities alone. Our region faces unique challenges compared to other parts of the state due to its limited

economic resources and lower tax base, which can make funding large-scale infrastructure improvements particularly difficult.

Despite these challenges, our leadership remains committed to partnering with state and federal agencies to develop projects that reduce flood risk, protect lives and property, and strengthen community resilience. The timely deployment of FIF funding, coupled with regular communication throughout the award process, would help local entities maximize the impact of these investments, enhance project planning efforts, and accelerate the delivery of critical flood mitigation improvements to the communities they serve.

Again, we greatly appreciate the TWDB's commitment to protecting Texas communities through the Flood Infrastructure Fund program and thank you for the opportunity to provide comments on the proposed Intended Use Plan.

Comment Attachment:

None.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Karen K. Johnson, Chief Business Officer, on behalf of Jefferson County Drainage District No. 6

Comment Date:

June 6, 2026

Comment:

Jefferson County Drainage District No. 6 (JCDD6 or the District) appreciates the opportunity to address the Draft Intended Use Plan (IUP) for the Flood Infrastructure Fund (FIF) SFY 2026-2027. The District attended a Texas Water Development Board (TWDB) Workshop and Board Meeting in April of 2025 to offer public comments and recommendations regarding the prioritization list for the FIF SFY 2024-2025 funding cycle. One of the District's recommendations was to include an additional fourth category to the three existing categories: Flood Management Evaluation (FME), Flood Mitigation Project (FMP), and Flood Management Strategy (FMS), which would be solely for Federal Matching Funds. That suggestion is reflected in this current draft IUP, and it is our recommendation to keep it in the Final IUP.

The Draft IUP illustrates the requirements under each of the four categories throughout the document. Page 13 details the criteria for award, the points for award and the methodology for award for each of the four categories (FME, FMP, FMS, and Federal Match). However, pages 14, 15, and 16 detail the Eligibilities, Financing Details, and Grant Qualifiers for three of the four categories (FME, FMP, and FMS) but there is not a page dedicated to the fourth category, Federal Matching Funds.

It is JCDD6's recommendation that a fourth page be included for the Federal Matching Funds category that details the requirements for this independent category.

In addition, when the 2024-2025 IUP was finalized, it allowed for the FIF eligible projects that received a FEMA Flood Mitigation Assistance (FMA) grant for FMA FY 2019-2022 to receive a grant for 70% of the required local Match. The District recommends that this IUP return to that methodology and not move to qualifiers, since these grants have already gone through a competitive cycle and have been awarded federal funds. The intention of Senate Bill 7 was to prioritize Federal Matching Funds. Following that intention, all projects that have competed and been awarded Federal funding should be eligible for FIF Matching without the additional requirement to meet Grant Qualifiers.

As an example: in the 2024-2025 FIF IUP, any FMA grants for FY 2023 were ranked and prioritized using grant qualifiers. JCDD6 submitted an abridged application for Federal Matching Funds on our FY2023 FMA Tyrrell Park Project. The Federal portion of this grant was awarded 90% of the total cost, however when reviewed by the FIF requirements or qualifiers DD6 was not eligible to receive any grant support from the State. Removing the qualifiers will prevent this ineligibility again.

The District values the Boards's willingness to accept Public Comment and appreciates the dedication and hard work of the TWDB staff and the Board to advance flood control throughout the State of Texas.

Comment Attachment:

Same as comment submitted.

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP. The projects ranked on the Federal Match prioritization list will reflect the grant qualifiers per the FMX category they are in in the State Flood Plan.

Change:

None.

Comment Submitted By:

Ludivine Varga, Technical Consultant, HDR, San Antonio Regional Flood Plan (Region 12)

Comment Date:

June 12, 2026

Comment:

1. Amended 2023 Regional Flood Plan Rankings
Could the TWDB identify which projects in the Amended 2023 Regional Flood Plan Rankings workbooks have already received, or are slated to receive, funding from prior FIF cycles? This data will assist the RFPG in estimating the remaining funding available for the rest of the projects on the list.
2. FIF IUP Significant Program Changes Item No. 7
In the Draft FIF IUP document, under the Significant Program Changes section, item no. 7. states, "The TWDB will initially bypass ranked projects in order to invite at least one project or study from each regional flood planning group within each category, as funding permits." Question: Does the RFPG get to select which project will get invited from each category? Even if that project selected is lower ranked than some of the other projects submitted for that same region. Or is it automatically the highest ranked project that completed an abridged application for each RFPG in each category?
3. Grant Qualifier, Nature-Based Calculation Standardization
The San Antonio RFPG requests a clear, unified definition for the Percent Nature-Based Solution (by cost) calculation to ensure consistency in methodology across applications. At the same time, we recognize that certain unique projects may not fit within a standardized approach; for these cases, we recommend preserving flexibility so that the RFPGs can adjust the methodology as appropriate. This comment has also been submitted to the TWDB Flood Planning department for their Regional Flood Planning guidance documents.
4. TWDB FIF Incentives for FMS Nature-Based Solutions
The San Antonio RFPG strongly encourages the submittal of more nature-based Flood Management Strategy (FMS) projects for TWDB FIF funding. To incentivize this, the RFPG recommends introducing an additional grant percentage for FMS category projects that incorporate Nature-Based Solutions, similar to the existing incentives provided in the FMP category.

Comment Attachment:

None.

Response:

1. Amended 2023 Regional Flood Plan Rankings
The [FIF Project Reporting Dashboard](#) is an interactive dashboard showing projects that have been committed by TWDB. This data is current through the end of the previous month.
2. FIF IUP Significant Program Changes Item No. 7
The project invited will be the highest ranked project that submitted an abridged application within that regional flood planning group.
3. Grant Qualifier, Nature-Based Calculation Standardization
Nature-based projects are projects that use nature-based features to protect, mitigate, or reduce flood risk, as determined by TWDB. If an applicant identifies nature-based components within their project and demonstrates that at least 30% of total project costs are attributable to those components, the project is eligible for an additional 5% grant. TWDB will review the applicant's description and cost allocation to confirm that the nature-based elements and associated percentages are reasonable and consistent with program criteria prior to awarding the additional grant funds.
4. TWDB FIF Incentives for FMS Nature-Based Solutions
The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

Comment Submitted By:

Aaron Burciaga, ENP, Local Governments Coordinator, Rio Grande Council of Governments on behalf of Region 14 Regional Flood Planning Group

Comment Date:

June 12, 2026

Comment:

Region 14 URGRFPG FIF IUP 2026–2027 Public Comment Submission

1. Prioritize one project or study from each RFPG within each category
 - a. If a Region does not or would not have any projects/studies/other eligible for funding or all sponsors within a Region do not submit applications within a category, allow that funding to be allocated to that Region within another category.
 - b. Will sponsors be able to influence the selection of an application for funding after application?
 - i. For example, assume there are two projects in the same region and same category with the same sponsor, ranked statewide as #3 and #10, and no other projects from the region in that category. Would the sponsor be able to select the project ranked as #10 for the one project or study with the region in that category, and let the #3 ranked project compete for remaining funds given its higher statewide ranking?
2. Phased Projects, Category Funding Caps, Benefits
 - a. With the changes in funding caps, large projects will need to be broken up into phases which highlight some concerns. For example, a large basin project may have two phases requiring funding, land acquisition, and construction.
 - b. How should we calculate the benefits of a phased project? The land acquisition phase of the project would have very low benefits, potentially zero, while the construction phase would have very large benefits.
3. Asset Management Plans
 - a. Would it be possible to submit for funding to develop, implement, and operate stormwater asset management plans under the draft FIF IUP?
 - b. If not, would TWDB consider adding language to support stormwater asset management plans?
4. Operations and Maintenance Funding
 - a. The draft FIF IUP specifically excludes O&M costs, which continues to be an issue for large communities with large asset catalogues requiring and small communities with lack of funding sources.
 - b. As a result, projects are being designed to reduce O&M at additional cost with expanded capacity or planned rehabilitation expenses.

- c. Would it be possible to find a way to include O&M costs as part of infrastructure funding?

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

1. Prioritize one project or study from each RFPG within each category
The project invited will be the highest ranked project that submitted an abridged application within that regional flood planning group.
2. Phased Projects, Category Funding Caps, Benefits
Sometimes large projects are phased to break the costs into manageable pieces that may be easier to fund. In order to conduct independent BCAs, each phase of these projects should be able to provide benefits regardless of whether subsequent phases are constructed. If a particular phase of a project does not have independent utility, it is important to remember that the phased portion of the costs used for a BCA must match the portion used to calculate the benefits for the BCA, even if those costs are greater than the amount of funding that is being requested from a particular funding program
3. Asset Management Plans
Stormwater asset management plans are eligible projects that can be recommended on the State Flood Plan.
4. Operations and Maintenance Funding
Operations and maintenance (O&M) costs are not eligible costs under the FIF program. According to 31 TAC § 363.408(b)(6), for the FMP and FMS Categories, applicants for construction funds must document within the complete application that they have planned for operations and maintenance costs associated with the proposed facilities.

Change:

None.

Comment Submitted By:

Luis Alday, P.E., Senior Project Manager, AECOM on behalf of the Region 14 Regional Flood Planning Group

Comment Date:

June 12, 2026

Comment:**Region 14 URGRFPG FIF IUP 2026–2027 Public Comment Submission (2)**

In Region 14 the submitted geodatabase for Amendment 2 had an error that did not contain NRNC cost values for the FMSs, although these values were calculated and presented at the Region 14's Regional Flood Plan document. Therefore, a cost for Region 14's FMS was not included in the Draft FIF IUP funding approved by the Board on March 31, 2026.

Excluding all 22 FMSs from consideration has a significant impact on our region, effectively eliminating an entire category of funding opportunities. This outcome is particularly consequential for Region 14, which includes many rural and border communities that already face unique economic, infrastructure, and resource challenges and are often at a disadvantage when competing for limited funding resources.

1. As part of adoption of the Final FIF IUP 2026-2027, would the Board consider amending the Draft FIF IUP 2026-2027 to include the Region 14 FMS in order for Region 14 to receive 2026-2027 funding for one FMS like all other regions in the state?
2. Otherwise, could the 2026-2027 funding intended for Region 14 FMSs be made available to Region 14 during the next funding cycle (2028–2029)?

Response:

The TWDB appreciates receiving the comments for the Draft SFY 2026-2027 FIF IUP.

1. TWDB process includes obtaining Board approval on amended regional flood plans prior to posting the Draft FIF IUP. The Board approved amended Regional Flood Plans, including the Region 14 Upper Rio Grande Second 2023 Regional Flood Plan Amendment, on March 31, 2026. TWDB is unable to change the FMS input data used to rank FMSs for the SFY 2026-2027 FIF IUP. Regional Flood Plans may be amended to include NRNC cost values for FMSs prior to any future FIF cycles. These costs may also be included with the Draft 2028 Region 14 Upper Rio Grande Regional Flood Plan. Recommended FMXs included in Draft 2028 Regional Flood Plans are intended to be eligible for future FIF cycles.
2. TWDB recommends Region 14 ensures that all data is accurate for the next opportunity to amend the regional flood plan in order to be eligible for funding for future FIF funding cycles.

Change:

None.

Comment Submitted By:

Mary Anne Piacentini, President and CEO, Coastal Prairie Conservancy

Comment Date:

June 12, 2026

Comment:

The Coastal Prairie Conservancy (CPC) appreciates the opportunity to comment on the Texas Water Development Board's Draft 2026 Flood Infrastructure Fund (FIF) Intended Use Plan. CPC is a nonprofit land trust that has conserved more than 34,000 acres of prairie, wetlands, farms, and ranches in southeast Texas. These lands help reduce flood risk, improve water quality, support agriculture and wildlife habitat, and enhance regional resilience.

We support TWDB's continued efforts to improve access to flood mitigation funding and align the Flood Infrastructure Fund with priorities identified through regional and state flood planning.

We offer the following recommendations:

1. Increase Funding Available Through the Flood Infrastructure Fund

The flood mitigation needs identified in approved regional flood plans substantially exceed available FIF resources. We encourage TWDB to continue working with the Legislature to increase appropriations to the Flood Infrastructure Fund so that more high-priority projects can move forward.

2. Extend the Public Comment Period

The current 30-day comment period provides limited opportunity for meaningful review and coordination among regional planning groups, local governments, and other stakeholders. We recommend extending future public comment periods to 60 days.

3. Change the traditional Benefit-Cost Analysis to a Comprehensive Assessment

We recommend revising the traditional Benefit-Cost Analysis (BCA) requirement and adopting a more comprehensive assessment of project benefits. Evaluating projects through a broader lens provides a more accurate measure of their true value by considering not only national economic development benefits, but also regional economic impacts, improvements in environmental quality, public safety benefits, and social and community resilience outcomes. A comprehensive assessment better reflects the full range of benefits provided by flood mitigation projects, including reduced flood risk, enhanced natural resources, improved water quality, protection of critical infrastructure, and increased community resilience. This approach also reduces barriers to project implementation and helps ensure that projects with significant public benefits are not overlooked simply because those benefits are difficult to quantify under a traditional BCA framework. To ensure consistency in project evaluation and funding decisions, we recommend that TWDB revise all related guidance documents and scoring criteria to fully incorporate the comprehensive assessment approach throughout the program.

4. Improve Flexibility for Federal Matching Funds

We support creation of the Federal Match funding category and encourage TWDB to maximize flexibility for applicants pursuing federal funding opportunities. While greater flexibility will improve project delivery and increase the likelihood of securing federal investment in Texas, we also recommend that the document clarify how federal funds will be prioritized relative to other FIF categories so that not all funding is awarded to federal match projects.

5. Modify the Memorandum of Understanding Requirement

Requiring signed MOUs from all eligible political subdivisions within a project watershed creates a significant obstacle to project implementation and allows a single entity to delay or prevent otherwise beneficial projects from moving forward. Instead, TWDB should allow applicants to demonstrate outreach and coordination efforts and provide documentation that affected entities were notified and given an opportunity to participate.

6. Allow Phased Implementation of Large Projects

Many flood mitigation projects identified in regional plans are large, multi-year efforts that must be implemented in phases due to funding availability, engineering complexity, and construction sequencing. TWDB should allow phased components of larger projects to be eligible for funding and evaluate individual phases within the context of the overall project and its cumulative benefits.

7. Increase Grant Funding for Flood Mitigation Projects

Unlike water and wastewater projects, flood mitigation projects generally do not generate revenue that can be used to repay loans. We encourage TWDB to increase the ratio of grant funds to loan funds as well as the amount of grant funding available for flood mitigation projects so that project implementation is driven by flood risk reduction needs rather than local fiscal capacity.

8. Provide Additional Incentives for Nature-Based Projects

The plan recognizes the role that natural infrastructure can play in reducing flood risk. The additional grant incentive for projects with at least 30 percent nature-based costs is an important step, but we encourage TWDB to increase the incentive or establish a tiered structure that rewards projects with higher levels of investment in nature-based solutions. Protecting floodplains, wetlands, prairies, riparian corridors, and working lands through conservation easements, restoration, and other land conservation tools is often one of the most cost-effective ways to reduce flood risk while avoiding many of the long-term maintenance and replacement costs associated with traditional structural approaches. These projects also provide multiple public benefits, including improved water quality, groundwater recharge, agricultural preservation, habitat conservation, recreation opportunities, and enhanced community resilience.

Thank you for the opportunity to comment on the Draft 2026 Flood Infrastructure Fund Intended Use Plan. We appreciate TWDB's efforts to improve flood resilience across Texas and look forward to working with the agency as the program moves forward.

Response:

1. Increase Funding Available Through the Flood Infrastructure Fund

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

2. Extend the Public Comment Period

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

3. Change the traditional Benefit-Cost Analysis to a Comprehensive Assessment

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

4. Improve Flexibility for Federal Matching Funds

Projects on the Federal Match Funding Project List will be invited based on the federal award date. To be eligible for inclusion on the Federal Match Funding List, a federal award must be issued by a federal agency before the abridged application submission deadline. The TWDB will invite projects in order of federal award date, subject to available funding. If a project receives federal award after the abridged application submission deadline, the applicant may submit an abridged application or revise a previously submitted abridged application from the current funding cycle to indicate receipt of federal matching funds. Subject to eligibility and available funding, the Federal Match Funding List may be amended to include the project at the end of the ranked list. Subject to eligibility requirements and available funding, the project may be added to the end of the ranked Federal Match Funding Project List. A project may not be included on both the Federal Match Funding Project List and the FMX Prioritization List during the same funding cycle. Each project will be assigned to only one funding category for prioritization and invitation purposes.

5. Modify the Memorandum of Understanding Requirement

The MOU requirement was imposed by the Texas Legislature in Texas Water Code § 15.005, so the TWDB cannot remove it. The MOU requirement only applies to flood control projects (defined in 31 Texas Administrative Code § 363.402), which include the construction or rehabilitation of structural mitigation or anything that retains, diverts, redirects, impedes, or otherwise modifies the flow of water. The requirement only applies if the project watershed (defined in 31 Texas Administrative Code § 363.402 as the area upstream and downstream substantially affected by the proposed flood project, as documented in the project application, and sealed by a Professional Engineer or Professional Geoscientist) lies partially outside the applicant's boundaries. If the project watershed lies wholly within the applicant's boundaries, no MOU is required. The requirement only necessitates MOUs with "eligible political subdivisions" (as defined in Texas Water Code § 15.531 as a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county). If applicable, the applicant must submit an MOU relating to management of the project watershed. If applicable, the MOU must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. The applicant must submit either a single MOU that includes all governing bodies of all political subdivisions required to sign or develop individual MOUs with each political subdivision or groups of political subdivisions within the watershed. All 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. This minimum standard on MOUs does not apply to FME Category projects. Although this minimum standard on MOUs does apply generally to the FMS Category, most of those projects will not meet the definition of a flood control project; therefore, this requirement will not apply to most FMS projects.

6. *Allow Phased Implementation of Large Projects*

Phased projects are not prohibited in the FIF IUP. Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF, except when a project or study is structured and submitted in multiple components or phases. If a project or study scope has been reduced from that included in the State Flood Plan, for example, due to phasing, the applicant is required to provide updated project or study data to reflect the lesser benefits than those reflected in the State Flood Plan. This requirement ensures that project scores appropriately correspond to the benefits generated by the project. If the project or study has not been reduced in scope, then it will not be re-scored, and the prioritization will be based on the State Flood Plan dataset and scoring.

7. *Increase Grant Funding for Flood Mitigation Projects*

The IUP will not have predetermined funding goals per category. The TWDB will allocate funds after the abridged application submittal deadline and will evaluate and allocate based on the funding requests per prioritization list.

8. *Provide Additional Incentives for Nature-Based Projects*

The TWDB appreciates receiving this comment for the Draft SFY 2026-2027 FIF IUP.

Change:

None.

STATE OF TEXAS



Intended Use Plan

Flood Infrastructure Fund

www.twdb.texas.gov/financial/programs/FIF



SFY 2026–27

TEXAS WATER DEVELOPMENT BOARD
PO BOX 13231 ■ AUSTIN, TX 78711

2026-27 Flood Infrastructure Fund Intended Use Plan

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Program Overview

During the 88th Legislative Session, Senate Bill 30 appropriated more than \$624 million from the general revenue fund to the Flood Infrastructure Fund (FIF) program. The Texas Water Development Board (TWDB) anticipates utilizing at least \$312.4 million during the 2026-27 biennium (SFYs 2026-27) to assist communities in implementing eligible flood projects.

The FIF program provides financial assistance for a broad range of drainage, flood mitigation, and flood control projects, including:

- planning and design activities;
- work to obtain necessary regulatory approvals;
- construction and/or implementation of flood projects; and
- construction of multi-purpose flood mitigation and drainage infrastructure projects that control, divert, capture, or impound floodwater, stormwater, agricultural runoff water, or treated wastewater effluent and treat and distribute the water for the purpose of creating an additional source of water supply.

Administrative rules governing flood mitigation project funding are located in [31 Texas Administrative Code \(TAC\) Part 10, Chapter 363](#). This Intended Use Plan (IUP) establishes eligibility criteria, structure of financial assistance (including subsidies), and the prioritization criteria used by the Executive Administrator in making recommendations to the Board.

For additional project-specific guidance, applicants should consult the [FIF Program Guidance](#).

Significant Program Changes

The following highlights the significant program changes from the previous FIF IUP.

1. Removal of the Benefit Cost Analysis (BCA) from the Minimum Requirements section. Flood Mitigation Projects (FMPs) are no longer required to submit the BCA with the abridged application or during project implementation.
2. Requirements for Flood Management Evaluations (FMEs). The notice requirements in accordance with 31 TAC § 355.8 only apply to FME Category projects that are funded under the Research and Planning Fund. FME projects funded directly from FIF are not subject to the notice requirement.
3. Additional coordination and planning requirements for water conveyance projects as outlined in Senate Bill 7 (89th Texas Legislature).
4. No single entity will be able to receive financial assistance for more than two abridged application requests within a single FIF category. This is to ensure that financial assistance is distributed more broadly. The only exceptions include: (1) federal match projects, and (2) if all other projects on the prioritization list have been invited to submit a full financial application and funds remain.
5. Projects will be prioritized into four project lists: Flood Management Evaluations (FME), Flood Mitigation Projects (FMP), Flood Management Strategies (FMS), and Federal Match.
6. Removal of predetermined funding goals per category. The TWDB will allocate funds after the abridged application submittal deadline and will evaluate and allocate based on the funding requests per prioritization list.
7. The TWDB will initially bypass ranked projects in order to invite at least one project or study from each regional flood planning group within each category, as funding permits.
8. Funding caps will apply to grants, loans, and in-kind funding terms within each category.
9. Grant qualifiers and grant percentage offerings were changed.

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Eligible Applicants

Political subdivisions are eligible to apply for FIF financial assistance. Specifically, eligible entities include:

- Cities
- Counties
- Districts or authorities created under [Article III, Section 52](#), or [Article XVI, Section 59](#) of the Texas Constitution.

Other political subdivisions and nonprofit water supply corporations formed under Texas Water Code Chapter 67 are eligible **only** for financial assistance under the Flood Management Evaluation (FME) category.

Eligible Projects

The FIF program supports a wide range of flood-related projects. Eligible projects must be Flood Management Evaluations (FME), Flood Mitigation Projects (FMP), and Flood Management Strategies (FMS) recommended in the Board-adopted State Flood Plan, and as amended. Only FMEs, FMPs, and FMSs recommended in an amended Regional Flood Plan approved by the TWDB may submit an abridged application for consideration.

Applicants are encouraged to consult with TWDB staff regarding the eligibility of potential projects. Abridged applications that do not include the whole project approved by the regional flood planning group will be deemed ineligible, except in cases where the project or study has been intentionally structured into multiple components or phases. Refer to the [Prioritization Criteria](#) section for additional details.

Eligible project examples include, but are not limited to, the following:

Planning Phase Activities

- Preliminary engineering (up to 30% design for FMEs)
- Project design
- Feasibility assessments
- Coordination and development of regional projects
- Obtaining regulatory approvals
- Hydraulic and hydrologic studies
- Alternative analyses
- Watershed assessments
- Dam hazard assessments
- Planning activities related to construction or mitigation activities described in later sections

Construction/Rehabilitation Phase Activities

- Drainage infrastructure (e.g., channels, ditches, ponds, pipes, etc.)
- Flood control and flood mitigation infrastructure
- Retention basins
- Detention ponds
- Sustainable infrastructure
- Nonstructural flood mitigation improvements
- Development or amendments to flood-related codes
- Permeable pavement
- Erosion control
- Levees

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- 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 when identified as the optimal solution for highest-risk properties
- Restoration of riparian corridors, floodplains, coastal areas, and wetlands
- Natural erosion and runoff control
- Reasonable number of improvements to ancillary systems directly related to the project, as determined by the TWDB
- Flood infrastructure that creates a new source of water supply

Non-Structural and Nature-Based Solution Activities

Eligible nature-based projects include projects that use nature-based features to protect, mitigate, or reduce flood risk, such as:

- Natural or low-impact stormwater infrastructure
- Conservation easements
- Living shorelines
- Protection and restoration of riparian corridors, floodplains, coastal areas, and wetlands

Other Eligible Activities

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

- Flood early warning systems
- Stream gages
- Educational campaigns
- Crossing barriers
- Low water crossings

Financial Assistance Categories

Loans and grants, depending on the grant-qualifier eligibility, are offered in the FIF program depending on the activity funded. Eligible activities are organized into the following three categories and federal award matching funds.

Flood Management Evaluation Category

Proposed activities must be a recommended Flood Management Evaluation (FME) in a Regional Flood Plan. Under this category, eligible applicants conduct studies to identify, assess, and quantify flood risk or identify, evaluate, and recommend flood risk reduction solutions. These studies involve planning of entire watersheds or sub-watersheds, as required by the TWDB regional flood planning program, to better inform the development of strategies using structural and nonstructural measures before a flood event. This may include 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. However, it is required that the area of the entire upstream contributing watershed or sub-watershed to the discharge point of interest is considered when determining solution alternatives for an area identified as being at flood risk or a neighborhood identified with flood loss. A determination of “no negative impact” both upstream and downstream of the project area is also required.

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All activities under this category must be considered “flood control planning” as defined in Texas Water Code Section 15.405; however, this does not mean all activities listed in that section are eligible under the FME Category. For example, design up to 30 percent is allowed under the FME Category. Full design of engineering plans and specifications would be funded under the Flood Mitigation Projects (FMP) Category. In addition, the FME Category does **not** include the actual preparation of a Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRM).

Flood Mitigation Project Category

Proposed activities must be a recommended Flood Mitigation Project (FMP) in a Regional Flood Plan. Under this category, eligible applicants may undertake activities to construct or rehabilitate structural flood mitigation improvements or implement non-structural improvements.

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.

Construction, Rehabilitation, and Implementation includes construction and rehabilitation activities, but may also include demolition, decommissioning, and other activities not necessarily thought of as construction.

Flood Management Strategy Category

Proposed activities must be a recommended Flood Management Strategy (FMS) in a Regional Flood Plan. An FMS is a flood risk reduction solution idea or strategy that does not belong in FME or FMP categories. This category may include projects that can be implemented quickly and are understood to be immediately effective in protecting life and property. Eligible FMS Category projects include flood early warning systems, crossing barriers, gages, public education and outreach, regulatory enhancements, and development of entity-wide buyout programs.

Federal Award Matching Funds

Grant funds may be provided for a portion of the applicant’s required federal match amount. To be eligible, federal funding must be awarded when the abridged application is submitted to the TWDB. Proposed activities must be a recommended FME, FMP, or FMS in a Regional Flood Plan.

United States Iron and Steel Requirement

For informational purposes to applicants, the United States Iron and Steel (US I&S) requirements in Texas Government Code, Chapter 2252, Subchapter G apply to the FIF. Construction of projects funded through the FIF are required to use iron and steel products made in the United States. However, if the recipient can justify a claim made under one of the following categories, an exemption may be granted. Until an exemption is granted by the TWDB, the recipient must adhere to the US I&S requirements. Please refer to the [US I&S Guidance for Projects Funded Through State Programs Guidance \(TWDB-1105\)](#) for more information.

An exemption may be granted if TWDB determines that:

- Iron and steel products produced in the United States are not produced in sufficient quantities, reasonably available, or of satisfactory quality;
- Use of iron and steel products produced in the United States will increase the cost of the overall project by more than 20 percent; or
- Complying with the US I&S requirements is inconsistent with the public interest.

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Minimum Standards

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

1. Required Memorandum of Understanding (MOU)

The MOU requirement was imposed by the Texas Legislature in Texas Water Code § 15.005. The MOU requirement only applies to flood control projects (defined in 31 Texas Administrative Code § 363.402), which include the construction or rehabilitation of structural mitigation or anything that retains, diverts, redirects, impedes, or otherwise modifies the flow of water. The requirement only applies if the project watershed (defined in 31 Texas Administrative Code § 363.402 as the area upstream and downstream substantially affected by the proposed flood project, as documented in the project application, and sealed by a Professional Engineer or Professional Geoscientist) lies partially outside the applicant's boundaries. If the project watershed lies wholly within the applicant's boundaries, no MOU is required. The requirement only necessitates MOUs with "eligible political subdivisions" (as defined in Texas Water Code § 15.531 as a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county).

If applicable, the applicant **must** submit an MOU relating to management of the project watershed. If applicable, the MOU must be approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. The applicant must submit either a single MOU that includes all governing bodies of all political subdivisions required to sign or develop individual MOUs with each political subdivision or groups of political subdivisions within the watershed. All 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. **This minimum standard on MOUs does not apply to FME Category projects. Although this minimum standard on MOUs does apply generally to the FMS Category, most of those projects will not meet the definition of a flood control project; therefore, this requirement will not apply to most FMS projects.**

For the FMP Category and FMS Category, the following information **is required in the abridged application** to satisfy the MOU requirement, **if applicable**:

- A list of all eligible political subdivisions that will be required to approve and sign an MOU.
- A certification that the applicant 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 a TWDB-approved MOU template is available on the TWDB website. Applicants may also use their own template if approved by the Executive Administrator.
- Map types detailing all proposed project components and all boundaries for cities, districts, etc. within the proposed project watershed area:
 - FMP Category: PDF maps and GIS/KMZ files must be submitted.
 - FMS Category: PDF maps and GIS/KMZ files must be submitted.

For the FMP and FMS Categories, the following information **is required in the complete application** to satisfy the MOU requirement, if applicable:

- An MOU approved and signed by all governing bodies of eligible political subdivisions located in the project watershed. If requested by the applicant and approved by TWDB, this may be submitted after the application due date.

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2. Affidavit

For all categories, an affidavit attesting that: (1) 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 (2) all eligible political subdivisions substantially affected by the proposed flood project have participated in the process of developing the proposed flood project. Providing adequate notice and ample opportunity to any such eligible political subdivision that elects not to participate further would also fulfill this requirement, provided evidence of notification is included within the application. What constitutes “adequate” and “ample” may need to be discussed between the applicant and TWDB on a case-by-case basis. The applicant will need to attest to the fact that they provided adequate and ample opportunity to participate by signing the affidavit, so the appropriate representative must believe the notice provided was reasonable in order to sign. Template affidavits are available on the TWDB website.

The following information, if applicable, **is required with the complete application** to satisfy the affidavit requirement:

- The applicant has held public meetings to accept comments on the proposed flood project from interested parties (FMP Category and FMS Category).
- The technical requirements for the proposed flood project have been completed and compared against any other potential flood project in the same area (Construction Only).

3. Redundant Funding

For all categories, the funding request must not include redundant funding for activities already performed and/or funded through another source.

4. National Floodplain Insurance Program

For all categories, the following information **is required with the abridged application** to satisfy the National Flood Insurance Program (NFIP) requirement:

- The area to benefit by the proposed project must have floodplain ordinances or orders in place, as applicable, and the appropriate entity must certify they are currently enforcing floodplain management standards at least equivalent to or exceeding NFIP minimum standards. The only exception to the certification is an entity that is requesting FIF funding to fulfill additional requirements for participation in the NFIP. The TWDB is here to help communities meet the NFIP requirements.
- For the FME Category and FMS Category (e.g., flood early warning system projects), communities without floodplain management standards may be part of a larger study or benefit area. In that case, the applicant will not be required to show/certify that those communities must have floodplain ordinances or orders in place. However, the applicant should work with the TWDB to encourage those communities to adopt floodplain ordinances or orders. Additionally, projects where the applicant itself does not have floodplain management standards are not eligible unless those communities are requesting FIF funds to develop floodplain management standards.

5. Best/Most Recent Available Data

For all categories, the proposed project must be developed using the best/most recent available data. For example, FME Category projects must use the latest freely available topographic data to perform studies. A brief, general description or acknowledgment should be provided in the abridged application and a more detailed description in the complete application.

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6. Request for Construction Funds

For the FMP and FMS Categories, applicants for construction funds must be able to document the following within the complete application:

- The applicant has planned for operations and maintenance (O&M) costs associated with the proposed facilities. Note: O&M are **not** eligible costs under this program.
- An analysis determining whether floodwater capture techniques could be used for water supply purposes, in accordance with Texas Water Code § 15.535(b). The analysis should demonstrate through engineering, regulatory, or economic approaches by means of a feasibility assessment whether the flood project could include water supply and why the decision was made to include or exclude water supply from the flood project.

Additional Requirements and Exceptions for Flood Management Evaluation Category

In accordance with 31 TAC § 355.8, the notice requirements described in this section apply **only** to the FME Category projects that are funded under the Research and Planning Fund. FME projects funded directly from FIF are not subject to the notice requirement. Accordingly, cities, counties, and districts receiving funding directly from FIF are not subject to this requirement. Applicants that are not eligible to receive funding directly from FIF and therefore require Research and Planning funding, such as Councils of Governments, are subject to this requirement.

For projects subject to this requirement, prior to submission of the complete application, but not prior to the submission of the abridged application, the applicant 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, within the planning area by certified mail that an application for planning assistance is being filed with the TWDB.

The notice shall include:

- Name and address of the applicant.
- Name of the applicant's manager or official representative.
- Brief description of the planning area.
- Purposes of the planning project.
- 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:

- A copy of the notice sent to affected political subdivisions.
- A list of the political subdivisions to which notice was sent.
- The date on which the notice was sent.

An applicant may request approval from the TWDB to submit a copy of the notice after the application due date. If approved, the applicant may submit the notice after the application has been submitted; however, the TWDB may not act on an application prior to the expiration of the 30-day notice period unless all required recipients provide written agreement to waive the notice period.

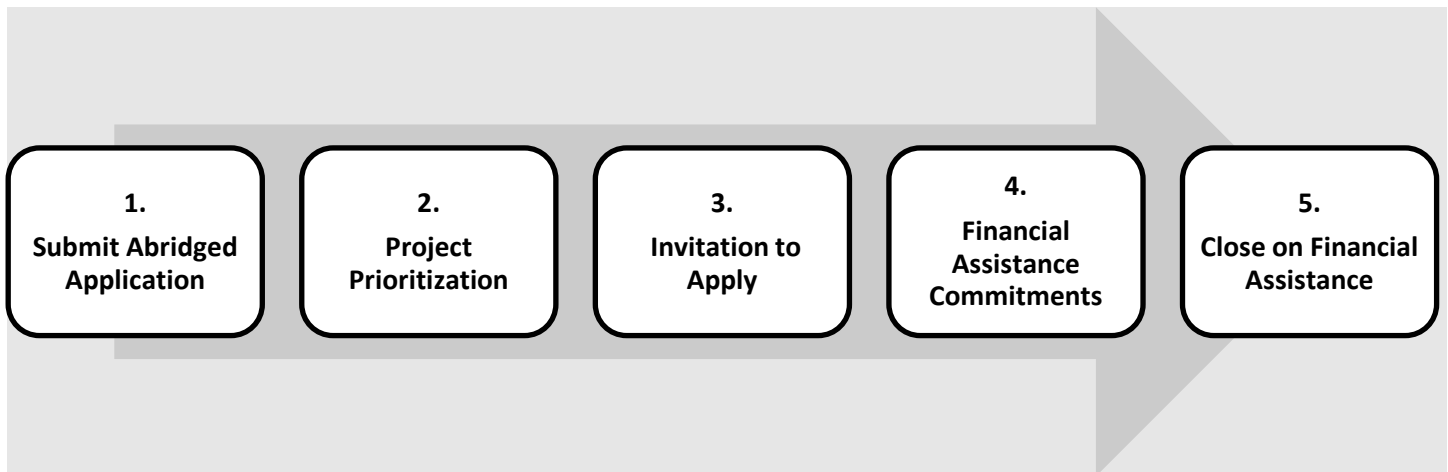
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Additional Coordination and Planning Requirements for Water Conveyance Projects

In accordance with Senate Bill 7, 89th Texas Legislature, which added Chapter 6, Subchapter H of the Texas Water Code, projects involving the development of infrastructure to transport water that is made available by a water supply development, treatment, or conveyance project, considerations must be included in the project planning phase to reduce the necessity of exercising the power of eminent domain to obtain interest in real property by using existing transportation and utility easements.

2026-27 Project Solicitation

Funding for flood projects operates on a biennial funding cycle with a two-stage application process. Projects are prioritized based on information submitted in the abridged application and the relative scoring of the associated evaluation, project, or strategy based on data from the Regional Flood Plans and working criteria and methodologies used to rank flood projects in the State Flood Plan. Entities are then invited to submit complete financial assistance applications based on project prioritization and a determination of funding availability. All entities are required to confirm that data provided in the Regional Flood Plans are still accurate at the time of the abridged application submittal. If any data relevant to the calculation of the score for the State Flood Plan ranking has changed since the adoption of the Regional Flood Plans, the applicant must indicate so in the abridged application. TWDB will follow up with the applicant and ask them to provide justification for the change and submit all relevant data.



Process

The process for the funding cycle is as follows:

Step 1: Submit Abridged Application

The abridged application is a form designed to help the TWDB collect the information necessary to prioritize projects and determine the best source of funding without requiring interested entities to fill out a complete TWDB financial assistance application. Following the public comment period of the draft FIF IUP, the 2026-27 FIF Abridged Application will be posted on the [FIF webpage](#) and the solicitation period will commence. Please sign-up for the [TWDB mailing list](#) to be notified of any other programmatic updates.

Step 2: Project Prioritization

The TWDB will prioritize projects into four project lists, one for FME, FMP, FMS, and federal match, according to the IUP and submit them to the Board for review and consideration.

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Step 3: Invitation to Apply

After the prioritization is approved by the Board, the TWDB will invite selected applicants to submit complete applications for financial assistance. Prior to submitting an application, entities are required to participate in a pre-application meeting with the TWDB to discuss the application process and project requirements.

An invited applicant must submit a complete application and all information requested by the TWDB deadlines to remain in active consideration for funding. The complete application is a TWDB document that asks for the detailed engineering, legal, fiscal, and other information necessary to make a funding recommendation. Final confirmation of compliance with applicable [Minimum Standards](#) must occur prior to Board consideration of a financial assistance commitment.

Step 4: Financial Assistance Commitments

After reviewing each complete application, the Executive Administrator will make a financial assistance recommendation to be considered by the Board in a public meeting.

Step 5: Close on Financial Assistance

Entities in receipt of financial assistance commitments will have a specific amount of time to close on their financing, as shown on the following table.

Type of Financial Assistance	Closing Deadline
Commitments that include only grant	4 months
Commitments that include grant and loan	6 months
Commitments that include only loan	12 months

Abridged Applications

Each abridged application should describe proposed projects from a single category. Applicants may submit multiple abridged applications if they seek to propose projects from multiple FMX categories in a single prioritization cycle; however, no single entity will be able to receive financial assistance for more than two abridged application requests within a single FIF category. The only exceptions include: (1) federal match projects, and (2) if all other projects on the prioritization list have been invited to submit a full financial application and funds remain.

One abridged application must be submitted for each FME, FMP, or FMS respectively and cannot be combined. Each abridged application should describe a proposed project from a single category with a single associated 9-digit, Regional Flood Plan unique ID (identification) number reference (each starting with the 2-digit regional flood planning area number) and project name that corresponds to the specific, recommended FME, FMP, or FMS in the Regional Flood Plan. A list of the names and unique IDs may be found in the corresponding Regional Flood Plan and, for convenience, is also provided on the TWDB website.

The ranking criteria and weights used to rank all projects within the 2024 State Flood Plan, as required by statute, will be utilized for prioritization scoring under this IUP; therefore, individual FME/FMP/FMSs cannot be combined. Only complete projects from the Regional Flood Plan will be considered for financial assistance. Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF. Phasing of projects are allowed, however, reduction of scope in a phase will require resubmission of appropriate benefits and rescoring. See the [Prioritization Criteria](#) for more information.

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Year-Round Submittals

Only abridged applications received by the initial deadline for 2026-27 FIF IUP cycle will be considered in the initial prioritization. The project list may be amended as necessary to include new submittals received after the initial deadline if funds remain available. Abridged application submissions after the initial deadline will be added to the bottom of the respective prioritization list in the order in which it is received.

Prioritization and Selection Process

Following the deadline to submit abridged applications, the TWDB will review submissions and match them with the corresponding FME, FMP, or FMS from the Regional Flood Plans. The TWDB will score abridged applications utilizing the criteria and methodology used to rank all projects for the 2024 State Flood Plan, in addition to the criteria listed under the [Prioritization Criteria](#) section of this IUP. The resulting scores will determine the prioritization of funding for this FIF IUP cycle. Abridged applications will be listed separately on one of four lists (FME, FMP, FMS, and Federal Match) in order from the highest to lowest scores. A project may not be included on both the federal match funding project list and the FMX prioritization list during the same funding cycle. Projects will be assigned to only one funding category for prioritization and invitation purposes. See the [Prioritization Criteria](#) section of this IUP for more information.

The Board will approve prioritization scoring of projects and then invitations will be sent to entities to submit complete financial assistance applications based on rank and funding available.

The Board may consider and allocate funding for any proposed project, including in cases where a lower-ranked project is funded ahead of a higher-scoring one. Such bypasses may be used when necessary to help ensure that each region has the opportunity for at least one project to be invited within each category.

All initial determinations of overall eligibility, eligible category, compliance with minimum standards, grant percentage, and priority order for all projects are subject to change upon further review of the projects.

Prioritization Criteria

The ranking criteria and weights used in ranking all projects within the 2024 State Flood Plan, as required by statute, will be utilized for prioritization scoring under this IUP. Abridged applications that do not include the whole project as approved by the regional flood planning group from the State Flood Plan will be deemed ineligible for FIF, except when a project or study is structured and submitted in multiple components or phases. If a project or study scope has been reduced from that included in the State Flood Plan, for example, due to phasing, the applicant is required to provide updated project or study data to reflect the lesser benefits than those reflected in the State Flood Plan. This requirement ensures that project scores appropriately correspond to the benefits generated by the project.

If the project or study has not been reduced in scope, then it will not be re-scored, and the prioritization will be based on the State Flood Plan dataset and scoring.

Projects on the Federal Match Funding Project List will be invited based on the federal award date. To be eligible for inclusion on the Federal Match Funding List, a federal award must be issued by a federal agency before the abridged application submission deadline. The TWDB will invite projects in order of federal award date, subject to available funding. If a project receives a federal award after the abridged application submission deadline, the applicant may submit an abridged application or revise a previously submitted abridged application from the current funding cycle to indicate receipt of federal matching funds. Subject to eligibility and available funding, the Federal Match Funding Project List may be amended to include the project at the end of the ranked list. Subject to eligibility requirements and available funding, the project may be added

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to the end of the ranked Federal Match Funding Project List. A project may not be included on both the Federal Match Funding Project List and the FMX Prioritization List during the same funding cycle. Each project will be assigned to only one funding category for prioritization and invitation purposes.

During the abridged application review process, the TWDB will verify project scope and claimed benefits against the information contained in the State Flood Plan. If an abridged application is determined to differ materially from the corresponding project or study in the State Flood Plan, including where it is not functionally equivalent, the application will be removed from the prioritization list and deemed ineligible for the FIF funding. Applicants are therefore advised to ensure that all project or study information is complete and accurate at the time of submission.

After abridged applications have been assigned to their respective FIF categories, the following criteria will be used for scoring and prioritization, incorporating updated flood planning data, as appropriate.

Category	Criteria	Points	Methodology
FME	Project's technical merits ¹	Score based on state flood planning criteria and methodology	The technical merit score is based on the ranking criteria and methodology in the 2024 State Flood Plan.
	AMHI that is ≤85% the statewide AMHI	10	Additional points if the entity's study area has an AMHI that is ≤85% the statewide AMHI.
FMP	Project's technical merits ¹	Score based on state flood planning criteria and methodology	The technical merit score is based on the ranking criteria and methodology in the 2024 State Flood Plan.
FMS	Project's technical merits ¹	Score based on state flood planning criteria and methodology	The technical merit score is based on the ranking criteria and methodology in the 2024 State Flood Plan.
Federal Match	Federal award date	Prioritization is based on the federal award date of the applicant	Projects ranked in chronological order of when the applicant received the federal award

Tiebreaker: The tie is broken in favor of the project with the highest SVI².

¹ See Appendix A, 2024 State Flood Plan criteria and associated weights used to rank recommended FME, FMP, and FMS.

² The Social Vulnerability Index (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. Average SVI of the benefitting area is verified using the [SVI Interactive Map](#). May use the Census tract or County data depending on the size and shape of the benefitting area. Applicant must filter for "Statewide" and "2022".

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Eligibilities, Financing Details, and Grant Qualifiers by Category

Flood Management Evaluation Category

Eligibility

- I. Must be recommended in a Regional Flood Plan as a Flood Management Evaluation (FME).
- II. See the [Flood Management Evaluation Category](#) section for the definition and eligibility.
- III. For federal award matching funds, the applicant must provide documentation of an existing federal award contingent on availability of matching funds.

Financing

- I. Eligible to receive a grant up to 100% of the total FIF eligible study cost, with the maximum nominal amount limited by associated funding caps.
- II. Recipients may either use their own available funds or borrow FIF funds at a 0% interest rate for any portion of the required local share not provided through the FIF grant funds.
- III. With prior TWDB approval, in-kind services may be substituted for any loan offered up to \$100,000.

Grants are based on the following:

FME Grant Qualifiers	Grant % Offered
If the AMHI of the study area is $\leq 125\%$ of the state-wide AMHI, OR	100
If the AMHI of the study area $> 125\%$ of the state-wide AMHI.	90

Note: Examples of the Grant Percentage Calculations are found in Attachment 1.

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Flood Mitigation Project Category

Eligibility

- I. Must be recommended in a Regional Flood Plan as a Flood Mitigation Project (FMP).
- II. See the [Flood Mitigation Project Category](#) section for the definition and eligibility.
- III. For federal award matching funds, the applicant must provide documentation of an existing federal award contingent on availability of matching funds.

Financing

- I. The sum of all qualifying grant percentages below will represent the overall grant allocation. The maximum grant for FMP Category projects is 85% of the total FIF eligible costs, with the maximum nominal amount limited by associated funding caps.
- II. Recipients may either use their own available funds or borrow FIF funds at a 0% interest rate for any portion of the required local share not provided through the FIF grant funds.
- III. With prior TWDB approval, in-kind services may be substituted for any loan offered.

Grants are based on the following:

FMP Grant Qualifier	Grant % Offered
If the AMHI of the project area is $\leq 85\%$ of the state-wide AMHI, OR	75
If the AMHI of the project area is $> 85\%$ of the state-wide AMHI	25
If the applicant meets the "Rural" definition.	5
If $\geq 30\%$ of total costs are Nature-Based	5
Maximum Grant Percentage	85

Note: Examples of the Grant Percentage Calculations are found in Attachment 1.

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Flood Management Strategy Category

Eligibility

- I. Must be recommended in a Regional Flood Plan as a Flood Management Strategy (FMS) with non-recurring non-capital cost.
- II. See the [Flood Management Strategy Category](#) section for the definition and eligibility.
- III. For federal award matching funds, the applicant must provide documentation of an existing federal award contingent on availability of matching funds.

Financing

- I. Eligible to receive a grant up to 100% of the total FIF eligible project cost, with the maximum nominal amount limited by associated funding caps.
- II. Recipients may either use their own available funds or borrow FIF funds at a 0% interest rate for any portion of the required local share not provided through the FIF grant funds.
- III. With prior TWDB approval, in-kind services may be substituted for any loan offered.

Grants are based on the following:

FMS Grant Qualifier	Grant % Offered
If the AMHI of the study area is $\leq 125\%$ of the state-wide AMHI, OR	100
If the AMHI of the study area $> 125\%$ of the state-wide AMHI	90
Maximum Grant Percentage	100

Note: Examples of the Grant Percentage Calculations are found in Attachment 1.

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Definitions Used in Grant Percentage Calculations

Annual Median Household Income (AMHI) – From the U.S. Census Bureau 2024 American Community Survey (ACS) 5-year estimates, or the most recent ACS 5-year estimates available at the time of publishing this plan.

- FME Category: The study area AMHI, using a weighted average based on population.
- FMP & FMS Categories: The project area AMHI, using a weighted average, all based on population in each U.S. Census Bureau geographic area used.

The required data may be obtained from the [U.S. Census Bureau 2024 ACS 5-year estimates](#) found on the TWDB website. The required data may also be obtained directly from the [U.S. Census Bureau](#).

Current Population – For the project area from U.S. Census Bureau 2024 ACS 5-year estimates using the sum of the population in each U.S. Census Bureau geographic area used.

Federal Funds - The amount of project funding a FIF applicant receives from the federal government. An applicant may be required to provide a local match to receive this federal funding.

Flood Management Evaluation - A proposed study to identify and assess and quantify flood risk or identify, evaluate, and recommend flood risk reduction solutions.

Flood Management Strategy - Long term flood risk reduction solution ideas that are not considered an FME or FMP (e.g., regulatory enhancements, development of entity-wide buyout programs, and public outreach and education).

Flood Mitigation Project - A proposed project, both structural and nonstructural, that has a non-zero capital costs or other non-recurring cost and that when implemented will reduce flood risk and mitigate flood hazards to life or property.

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

Rural Applicant – An applicant that is:

(A) a nonprofit water supply or sewer service corporation created and operating under Chapter 67 of the Texas Water Code or a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, no part of the service area of which is located in an urban area with a population of more than 50,000;

(B) a municipality;

(i) with a population of 10,000 or less no part of the service area of which is located in an urban area with a population of 50,000 or more; or

(ii) located wholly in a county in which no urban area has a population of more than 50,000;

(C) a county in which no urban area has a population of more than 50,000; or

(D) an entity that:

(i) is a non-profit water supply or sewer service corporation created and operating under Chapter 67 of the Texas Water Code, a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, municipality, county, or other political subdivision of the state, or an interstate compact commission to which the state is a party; and

(ii) demonstrates in a manner satisfactory to the board that the entity is rural or the area to be served by the project is a wholly rural area despite not otherwise qualifying under subparagraph (A), (B), or (C) of this paragraph.

Although the definition of “Rural Applicant” describes all types of political subdivisions that may be eligible under the FME Category, note that this list of entities is broader than those that are eligible applicants for the FMP and FMS Categories.

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Amount Available

The FIF fund is a special fund in the state treasury outside the general revenue fund. For the 2026-27 FIF IUP cycle, the TWDB will offer at least \$312.4 million available through grants and zero-percent interest loans.

The Board may increase the total of funds available for this cycle if needed, using appropriations remaining from the 2024-25 biennium. Any increase to the overall funding level must be approved by the Board.

The Executive Administrator may adjust the total amount available within the IUP through an amendment, provided that any adjustment remains within the maximum amount authorized by the Board.

NOTE: The interest rate on all loans will be zero percent (0%).

Total Funds Available for 2026-27 FIF IUP	
New FIF Appropriations Allocated	\$312,474,540
Total FIF Funds Available for 2026-27	\$312,474,540

Limits and Funding Caps

No single entity will be able to receive financial assistance for more than two abridged application requests within a single FIF category. The only exceptions being for federal match projects and if all other projects on the prioritization list have been invited to submit a full financial application and funds remain. The following is a summary of funding limitations that can be awarded per application, by category. The Executive Administrator may waive the funding limit at their discretion.

Funding Limitations Per Application By Category			
Category	Grant	Loan	In-Kind
FME	\$5,000,000	\$5,000,000	\$100,000
FMP	\$15,000,000	\$30,000,000	None
FMS	\$5,000,000	\$5,000,000	None

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 any single project or applicant.

Category-specific allocation limits will be established after the abridged application submittal deadline. At that time, the TWDB will evaluate the funding requests within each prioritization list (FME, FMP, FMS, and Federal Match) and determine the appropriate distribution of FIF funds.

The TWDB does not anticipate allocating a large proportion of the total available grant and/or loan funds to a single project or applicant. This is limited by the grant and loan cap amounts stated under the [Limits and Funding Caps](#) section of this document.

The Board may consider and allocate funding for any proposed project, including instances where a lower-ranked project is invited ahead of a higher scoring project. For example, the Board may bypass ranked projects to ensure that at least one project or study from each region is invited within each category.

There will be four prioritization lists: FME, FMP, FMS, and Federal Match. Projects seeking federal match funding will be invited based on the federal award date.

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If a project or study on the prioritization list does not move forward to commitment or closing, the TWDB may reallocate those funds to other eligible projects in any category on the prioritization list.

The total project cost may be increased from the amount submitted on the abridged application if the applicant demonstrates that additional funds are necessary to implement the project. However, if the project includes a grant component, the total amount of grant amount may not exceed the amount listed in the Board-approved FIF Prioritization List unless additional grant funding becomes available during the cycle and the Board approves an additional grant commitment.

Financing Terms

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

1. The interest rate on financing will be zero percent.
2. For Cities, Counties, Districts, and Authorities, financial assistance will be provided through TWDB's purchase of applicant's bonds or certificates of obligation. For water supply corporations (which are only eligible for the FME Category), financial assistance may be provided through a loan agreement.
3. For construction projects, financing may be offered for a term of up to 30 years, provided it does 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.
4. For planning, acquisition, and/or design-only projects, financing may be offered for 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.
5. No additional deferrals of principal will be offered.
6. Level principal repayments will be required.
7. The recipient of financing must establish an adequate source of revenue and/or demonstrate adequate security for the repayment of the financing as it becomes due.
8. All bonds/loans must be rounded to the nearest \$5,000 increment.
9. Considering a certain level of contingency in the project budget is strongly encouraged.
10. TWDB funds are not eligible for operations and maintenance.
11. Texas Administrative Code rules related to requests for financial assistance from the Texas Water Development Board (TWDB) require the submission of current, audited financial reports (31 TAC §§ 363.12, 371.31, and 375.41). Applicants must meet this application requirement not only at the time of submission, but also until commitment of funds to a project. If the project includes a loan component, additional audited financial reports and documentation will be required.

Release of Funds – Outlays, Escrow Releases, and Other Methods of Disbursements

The FIF program generally releases funds through a reimbursement (outlay) request process, with all funds – both grant and loan – initially deposited into an interest-bearing escrow account prior to disbursement. Communities are responsible for establishing the escrow account and covering any associated fees. Costs related to opening and maintaining the escrow account are eligible for reimbursement based on the applicable loan/grant share and must be included in the project budget as a separate line item. These costs should be incorporated into the project's overall cost estimates. Grant and loan funds that are not eligible for release at the time of closing will remain in escrow until the TWDB approves their release.

Any interest earned on grant funds must be applied to the FIF project or returned to the TWDB. Interest earned on loan funds must be used in accordance with the bond ordinance, bond resolution, or the loan agreement, as

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applicable. Funds released from escrow must be deposited into the recipient's designated FIF project or construction bank account to make payments on project expenses.

Advance disbursements will only be considered if the TWDB determines it is absolutely necessary. Funds may be reimbursed if applicable state and federal (if associated with federal matching program) procurement laws and regulations have been followed. Funds dispersed prior to May 13, 2026, are not eligible for reimbursement, with the exception of federal matching funds. Federal matching funds through the FIF will be reimbursed according to the performance of the associated federal program.

Release of FIF grant funds requires submission of an outlay report or reimbursement request, along with invoices documenting eligible project costs. If the FIF financial assistance consists solely of loan funds, disbursement will occur through an escrow release authorization process, and invoices will not be required. For projects with federal award matching funds, the amount disbursed may not exceed the required local share or match for the federal award. Proof of federal reimbursement and documentation of the required local share or match must be submitted before disbursement.

A project progress report must be included with each escrow release request, except for projects receiving federal award matching funds.

A minimum retainage of five percent of project funds will be withheld, except for projects involving federal award matching funds, for which retainage will not be withheld. Any remaining retainage will be disbursed once the TWDB receives all required close-out documentation. For disbursements related to construction contracts, the TWDB will reimburse 95 percent of each outlay of the TWDB's share of eligible activities, taking into account any retainage already deducted from invoices or other supporting documents.

Project administration, delivery fees and charges, and engineering costs must be reasonable – as determined by the TWDB – in order to be eligible for FIF activity costs. In making this determination, the TWDB may consider the FIF award amount(s), the size of the FIF-eligible portion of the project, and/or nature of the project activities.

Figure 1. Criteria and associated weights used to rank recommended flood management evaluations (FME), flood mitigation projects (FMP), and flood management strategies (FMS)*

	Criterion	Criterion type	Criteria grouping	FME ranking criterion?	FME ranking weight	FME grouping weight	FMP ranking criterion?	FMP ranking weight	FMP grouping weight	FMS ranking criterion?	FMS ranking weight	FMS grouping weight	Max score
Reported data from FME, FMP, and FMS GIS feature classes	1 Estimated structures at 1 percent (100-year) flood risk**	Flood risk	Life, safety, and property	Yes	15.0%	75.0%	No	0.0%	0.0%	Yes	10.0%	40.0%	10
	2 Estimated population at 1 percent (100-year) flood risk**	Flood risk		Yes	15.0%		No	0.0%		Yes	10.0%		10
	3 Critical facilities at 1 percent (100-year) flood risk**	Flood risk		Yes	25.0%		No	0.0%		Yes	10.0%		10
	4 Low water crossings at flood risk**	Flood risk	Mobility	Yes	20.0%	15.0%	No	0.0%	0.0%	Yes	10.0%	15.0%	10
	5 Estimated road closures**	Flood risk		Yes	5.0%		No	0.0%		Yes	5.0%		10
	6 Estimated road miles at 1 percent (100-year) flood risk**	Flood risk		Yes	10.0%		No	0.0%		Yes	10.0%		10
	7 Estimated farm & ranch land at 1 percent (100-year) flood risk (acres)**	Flood risk	Agriculture	Yes	10.0%	10.0%	No	0.0%	0.0%	Yes	5.0%	5.0%	10
	8 Structures removed from 1 percent (100-year) floodplain**	Flood risk reduction					Yes	5.0%		Yes	10.0%		10
	9 Percent structures removed from 1 percent (100-year) floodplain (Calculated by TWDB from reported data)	Flood risk reduction					Yes	10.0%		No	0.0%		10
	10 Residential structures removed from 1 percent (100-year) floodplain**	Flood risk reduction	Life, safety, and property			45.0%	Yes	2.5%	5.0%	Yes	5.0%	25.0%	10
	11 Estimated population removed from 1 percent (100-year) floodplain**	Flood risk reduction					Yes	10.0%		Yes	10.0%		10
	12 Critical facilities removed from 1 percent (100-year) floodplain**	Flood risk reduction					Yes	10.0%		No	0.0%		10
	13 Low water crossings removed from 1 percent (100-year) floodplain**	Flood risk reduction	Mobility			5.0%	Yes	7.5%	5.0%	No	0.0%	0.0%	10
	14 Estimated roadway miles removed from 1 percent (100-year) floodplain**	Flood risk reduction					Yes	5.0%		No	0.0%		10
	15 Estimated farm & ranch land removed from 1 percent (100-year) floodplain (acres)**	Flood risk reduction					Yes	5.0%		No	0.0%		10
	16 Percent nature-based solution (by cost)	Other					Yes	5.0%		Yes	7.5%		10
	17 Benefit-cost ratio	Other					Yes	2.5%					10
	18 Water supply benefit (Y/N)	Other					Yes	5.0%		Yes	5.0%		10
	19 FMP project type (10 points) Low water crossing (4 points) Preparedness	Other					Yes	2.5%		No	0.0%		
	FMS project type (10 points) Flood measurement and warning (8 points) Regulatory and guidance (6 points) Education and outreach (4 points) Property acquisition and structural elevation (4 points) Infrastructure projects (2 points) Other	Other					No	0.0%		Yes	2.5%		10
	Subtotal				100.0%			70.0%			100.0%		
FMP project details scoring (computed by the regional flood planning groups)***	21 Score 1: Severity - Pre-project average depth of flooding (100-year)	Flood risk					Yes	5.0%					10
	22 Score 2: Severity - Community need (percent population)	Flood risk					Yes	5.0%					10
	23 Score 6: Life and safety	Flood risk reduction					Yes	5.0%					10
	24 Score 8: Social vulnerability	Other					Yes	5.0%					10
	25 Score 10: Multiple benefits	Other benefits					Yes	2.5%					10
	26 Score 13: Environmental benefit	Other benefits					Yes	2.5%					10
	27 Score 15: Mobility	Other benefits					Yes	5.0%					10
	Subtotal				0.0%			30.0%			0.0%		
	Total (must add to 100 percent)				100.0%			100.0%			100.0%		

Note: All flood risk and risk reduction information are for 1 percent (100-year) annual chance storm. Grey cells indicate the criterion is not applicable for that flood risk reduction solution type.

* Only recommended flood management strategies with non-recurring, non-capital costs were ranked in the 2024 State Flood Plan

** Indicates that select reported data were normalized on the curve (ArcSinh), scoring 0-10

*** Project details criteria are described below. Refer to "project details scoring" for a description of all data included in project details available here: www.twdb.texas.gov/flood/planning/planningdocu/2023/doc/04_Exhibit_C_TechnicalGuidelines_April2021.pdf

Score 1: Severity - Pre-project average depth of flooding (100-year): Ranking of severity based on the baseline/pre-project average 100-year flood depth.

Score 2: Severity - Community need (percent population): Ranking of severity based on a community's need by percentage of project community affected by population.

Score 6: Life and safety: Ranking of reduced flood risk by percentage of structures removed from the 100-year floodplain in post-project condition.

Score 8: Social vulnerability: Ranking based on the Center for Disease Control SVI data for Texas, by calculating an average project SVI by census tract and classifying the vulnerability level.

Score 10: Multiple benefits: Ranking a project based on the reporting of significant, measurable, expected benefits to: recreation, transportation, social and quality of life, local economic impacts, meeting sustainability goals, and/or project resilience goals.

Score 13: Environmental benefit: Ranking of expected level of environmental benefits to be delivered by project to water quality, cultural heritage, habitat, air quality, natural resources, agricultural resources, and soils/erosion and sedimentation.

Score 15: Mobility: Ranking project improvement and protection of mobility during flood events, with particular emphasis on emergency service access and major access routes.

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Attachment 1: Examples of Grant Percentage Calculation for Each Category

Flood Management Evaluation Category: The FME Category has one grant qualifier. The applicant's grant percentage will be based on that eligible grant percentage.

Grant Qualifier	Potential Example	Grant % Offered
AMHI at $\leq$ 125% of the state-wide AMHI	AMHI is 80% of the state-wide AMHI	100
AMHI > 125% of the state-wide AMHI	AMHI is 135% of the state-wide AMHI	90

Flood Mitigation Project Category: The applicant's grant percentage will be the sum of the three grant qualifiers.

Grant Qualifier	Potential Example	Grant % Offered
AMHI of the project area is >85% of the state-wide AMHI	AMHI is 95% of the state-wide AMHI.	25
Applicant meets the "Rural" definition.	Applicant meets the "rural" definition.	5
$\geq$ 30% of total costs are Nature-Based	Nature-based costs are 40% of the total project costs	5
Total Grant Percentage		35

Grant Qualifier	Potential Example	Grant % Offered
AMHI of the project area is $\leq$ 85% of the state-wide AMHI	AMHI is 50% of the state-wide AMHI.	75
Applicant meets the "Rural" definition.	Applicant does not meet the "rural" definition.	0
$\geq$ 30% of total costs are Nature-Based	Nature-based costs are 5% of the total project costs	0
Total Grant Percentage		75

Flood Management Strategy Category: The FMS category has one grant qualifier. The applicant's grant percentage will be based on that eligible grant percentage.

Grant Qualifier	Potential Example	Grant % Offered
AMHI at $\leq$ 125% of the state-wide AMHI	AMHI is 80% of the state-wide AMHI	100
AMHI > 125% of the state-wide AMHI)	AMHI is 135% of the state-wide AMHI	90

Attachment 2: Project List

A project list will be incorporated after prioritization is complete.