FAQ for State Fiscal Year 2024-2025 Flood Infrastructure Fund Intended Use Plan Texas Water Development Board

Acronyms

- AMHI Average Median Household Income
- BCA Benefit Cost Analysis
- BCR Benefit Cost Ratio
- FEMA Federal Emergency Management Agency
- FIF Flood Infrastructure Fund
- FMA Flood Mitigation Assistance
- FME Flood Management Evaluation
- FMP Flood Mitigation Project
- FMS Flood Management Strategy
- HUC Hydrologic Unit Codes
- IUP Intended Use Plan
- MOU Memorandum of Understanding
- NFIP National Flood Insurance Program
- O&M Operations and Maintenance
- RFP Regional Flood Plans
- RFPG Regional Flood Planning Group
- SFP State Flood Plan
- SFY State Fiscal Year (September 1 to August 31)
- SVI Social Vulnerability Index
- TAC Texas Administrative Code
- TWDB Texas Water Development Board

Important Links

Final SFY 2024-2025 Flood Infrastructure Fund Intended Use Plan SFY 2024-2025 FIF Abridged Application FIF Project Priority Invitation Announcement TWDB FIF Webpage Flood Information Clearinghouse Committee Website

FIF Contact Information

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FIF Project Categories

Flood Management Evaluation Category

1. What is the FME Category?

Proposed activities must be a recommended 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.

The requirement of modeling an entire HUC-10 watershed was removed for the SFY 2024-2025 FIF funding cycle. 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 project area is also required.

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 activities, including engineering plans and specifications, would be funded under the FMP Category. The FME Category does not include the actual preparation of a FEMA FIRM.

2. What is the notification requirement for FME Category projects?

For FME Category projects only, in accordance with 31 TAC § 355.8, prior to the complete application, but not prior to the submittal of the abridged application, applicants must notify all cities, counties, non-profit water supply corporations, regional planning agencies, regional water planning groups, and all districts and authorities created under the Texas Constitution, Article III, Chapter 52, or Article XVI, Chapter 59, in the planning area by certified mail that an application for planning assistance is being filed with the TWDB.

The applicant may request from the TWDB an extension for the applicant to submit the copy of the notice after the application due date. If approved, the applicant may submit the copy of the notice after the application has been submitted. The Board may not act on an application until the applicant has provided a copy of all notices sent. The Board may not act on an application before the end of the 30-day notice period unless all political

subdivisions to which notice is required to be sent agree in writing to waive the notice period.

Flood Mitigation Project Category

1. What is the FMP Category?

Proposed activities must be a recommended 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, entity-wide buyout implementation, and other activities not necessarily thought of as construction.

Flood Management Strategy Category

1. What is the FMS Category?

Proposed activities must be a recommended FMS in a regional flood plan. An FMS is a flood risk reduction solution idea or strategy that does not belong in the FME or FMP categories. Examples may include regulatory enhancements, development (but not implementation) of entity-wide buyout programs, and public outreach and education. 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 also include warning systems, crossing barriers, and gages.

2. What are the additional requirements for FMS Category projects?

The following is required in the abridged application for FMS Category non-study funding applications, which include construction-oriented projects and implementation projects, such as regulatory changes, flood warning improvements, emergency action plans, and education campaigns.

- Detail of the current flood risk in the project area.
- Detail of the revised flood risk of the project area if the project is constructed/implemented.
- The level of protection (i.e., 4%, 2%, 1% annual chance storm events) provided by the proposed project must be reported, when possible. For example, some implementation projects (like regulatory changes) may have defined levels of protection, others (like education campaigns) may not.

The following is required in the abridged application for roadway construction-oriented projects:

- Roadway classification
- Traffic count
- Detour distances
- Accident data
- Inundation risk including depths and velocities during 50%, 10%, 4%, 2%, 1% and 0.2% annual chance storm events.

The following is required in the abridged application for Flood Early Warning Systems (FEWS) construction-oriented projects:

• Quantitative information on the population impacted.

Federal Award Matching Funds

1. How can a project be eligible for federal award matching funds?

For Federal Award Matching Funds projects, financial assistance may be provided for a portion of the applicant's required federal match amount. A federal application must have been submitted by abridged application submission date, and federal funds must be awarded by TWDB commitment date. An applicant must show evidence they have received a federal award for flood-related activities contingent on the availability of local matching funds with the submission of the full financial application. Proposed activities must be a recommended FME, FMP, or FMS in the Board-approved regional flood plan and may fall in any of the categories.

The TWDB will not reimburse costs associated with specific project components. The TWDB will only provide funds for the required local share or match for the federal award. The TWDB will provide funds for the entity's required match that are associated with the project activities covered in the amount of federal program funds that have been awarded to date. Recipients may either use their own available funds or borrow FIF funds for any portion of the required local share not provided through the FIF grant funds. In-kind services may be substituted for any loan offered, but only with prior TWDB approval.

2. The IUP states that projects that have been awarded for FEMA FMA grant for FMA FY 2019-2022 may receive a grant for 70% of the required local match. Will this include FMA FY 2023 awarded projects?

The FMA project would need to be from FY 2019-2022 FMA to receive the 70% grant match. The FY 2023 FMA projects would only be eligible for the qualifiers as listed in the FIF IUP and also

must be on an amended regional flood plan; they would not automatically receive the 70% grant. The Board has the authority to amend this cycle's Intended Use Plan to incorporate additional special funding considerations.

3. How much grant is offered for federal award matching fund projects?

The grant amount will be based on which category the project falls under (e.g., FME, FMP, or FMS) and can range from 5% to 100%. This is detailed in the "Eligibilities and Financing Details by Category" section in the FIF IUP.

Minimum Standards

Benefit-Cost Analysis and Ratio (Minimum Standard No. 1)

1. What is a BCA? Why is it needed?

The TWDB is using the BCR as a tool to evaluate the appropriateness of investment of state funding towards the construction of flood projects (FMPs only, not needed for FMEs and FMSs) similar to, but with more flexibility than, federal requirements (FEMA, DOT, etc.). The TWDB allows a variety of BCA tools and methods to assess a minimum level of cost effectiveness of a proposed construction project. Without some objective methodology, there would be no consistent way to assess the cost-effectiveness of a proposed FMP. If the reported BCR of the complete application for the proposed project is less than 1.0, the applicant must provide a detailed explanation for why the applicant considers the project to be justified, including a discussion of the primary benefits of the project, if any, that could not be quantified and were therefore not included in the BCR calculation. TWDB will assess those requests on a case-by-case basis.

TWDB is continuing to develop methods to improve how BCRs may be computed. The TWDB BCA Input Tool includes an option to normalize property damage of structure values across a variety of structure sizes and values and also accounts for certain health/safety factors. TWDB is also developing additional guidance on benefit-cost analyses that will provide additional ways to estimate losses associated with health/safety, transportation, environmental, socio-economic, and other factors. TWDB will provide updated information as it is available. FEMA has also been actively updating its benefit cost guidance to include additional factors and applicants are encouraged to use the latest available guidance whenever possible. Applicants are not required to follow one specific BCA method. Each applicant can estimate additional benefits that may not be built into a given tool, include them in the BCA calculation, and submit those values and justifications to TWDB as part of their application.

Local or regional drainage design requirements that require higher factors of safety may drive up the cost of a given flood project. That higher cost, in turn, may drive down the BCR

value computed for the project. This is one reason the TWDB did not include BCR as a significant part of the scoring criteria (to avoid different drainage standards causing BCR, and thus competing scores, to go up or down significantly), but did include BCR as a minimum criterion for all projects to meet. If a project's BCR is less than one and the applicant feels that the local or regional drainage design criteria is a significant factor in driving that cost up, then the applicant is encouraged to approximately quantify the effect the higher drainage standard has on the BCR and provide that as part of their detailed explanation why the applicant considers the project to be justified.

The TWDB has considered FEMA's streamlined cost-effectiveness method, but FEMA has established an approach where FEMA will independently estimate the BCR of projects less than \$1 million with the information provided by the applicant. The TWDB does not have a similar approach established, therefore the TWDB will continue to require BCAs for projects as defined in the IUP. Further, since the only projects that are eligible for FIF funding are those that are in the amended regional flood plans, and BCAs were required in those plans, BCAs should already have been developed for relevant projects. An update to the BCA should only be needed if the prior BCAs were inadequate or if the project information has changed since it was listed in the amended regional flood plan.

2. What projects are BCAs required and not required for?

BCAs are required for:

• FMP Category projects

BCAs are not required to be provided for the following projects:

- FME Category projects
- FMS Category projects
- Federal Award Matching Funds if the following are true:
 - If a project has an associated BCA developed and reviewed for a federal award. Verification of the prior BCA approval is required.
 - When a federal grant program generally requires a BCA, but specifically exempts it for certain projects (e.g., projects with lesser costs or nonconstruction projects), then the TWDB will also not require a BCA for FIF consideration. However, the TWDB will require a BCA if the proposed project is construction-oriented.
- 3. Is there any additional information on FIF BCA available?

Please visit the <u>TWDB BCA webpage</u> for more information.

Memorandum of Understanding (MOU) (Minimum Standard No. 2)

1. Is an MOU required?

Yes, in some circumstances, the applicant will need to enter into an MOU or multiple MOUs with other political subdivisions related to the management of a shared watershed. The requirement only necessitates MOUs with "eligible political subdivisions," as that term is defined in Texas Water Code § 15.531 (a district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, a municipality, or a county.) The requirement applies if the project watershed, as defined in 31 TAC § 363.402 (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. The requirement applies to flood control projects, as that term is defined in 31 TAC § 363.402 (the construction or rehabilitation of structural mitigation or anything that retains, diverts, redirects, impedes, or otherwise modifies the flow of water). The IUP does allow the applicant to submit completed MOUs after the application due date, provided approval by TWDB. The statute prohibits the TWDB from acting on an application without all completed and signed MOUs.

The MOU requirement is required by Texas Water Code § 15.005. The TWDB does not have the authority to change or remove that statutory requirement.

2. What circumstances is an MOU not required?

If the project watershed lies wholly within an entity's boundaries, no MOUs would be required. If the project watershed lies partially outside of an entity's boundaries, MOUs with each eligible political subdivision within the project watershed would be required if the project is a flood control project.

Specifically for each category:

- 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.
- The MOU requirement applies generally to the FMP Category projects if all applicability factors apply to that project.
- 3. How is the project watershed determined for the project?

The TWDB definition does not include any specific HUC-10 or similar requirement. The project watershed is established by the applicant in the application. The project watershed

must be sealed by a Professional Engineer or Professional Geoscientist in the application. A project watershed does not need to align with the boundaries of a full HUC-10, only the area upstream and downstream substantially affected by the proposed project.

Affidavit (Listed as Minimum Standard No. 3)

1. What is required for the 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. Some applications will also require attesting that the applicant has held public meetings to accept comments on the proposed project and the technical requirements for the proposed project have been completed and compared against any other potential project. Template affidavits are available on the TWDB website.

2. When is the affidavit required?

The affidavit is required with the submittal of the complete full application. It is not required for the submittal of the abridged application.

3. What is the notification requirement for the public meeting?

In accordance with 31 TAC § 363.408(b)(2)(C), the eligible political subdivisions, separately or in cooperation, must hold a public meeting to accept comment on proposed flood projects from interested parties. The TWDB does not have any particular notice requirements for public meetings. A city council meeting or county commissioner meeting would satisfy the public meeting requirement if opportunity for public input is included. The applicant should follow its own notice requirements and those of the Open Meetings Act (if the public meeting would constitute a "meeting" under the Act).

Redundant Funding (Minimum Standard No. 4)

1. What is redundant funding?

Redundant funding would be funding a task or activity already performed and/or funded through another source. It is not eligible to fund the same task or item that has already been funded by TWDB or another source.

National Floodplain Insurance Program (NFIP) (Minimum Standard No. 5)

1. How does an applicant demonstrate that they are enforcing floodplain management standards equivalent to or exceeding the NFIP minimum standards?

An applicant demonstrates that it is enforcing floodplain management standards by having a representative sign the certification included in the abridged application and providing a copy or link to the floodplain management ordinances they have in place. Both a signed certification and link/copy of the floodplain ordinance is required.

While floodplain management ordinances and regulations may vary significantly between communities, especially those that may have higher standards, the TWDB is simply verifying that the NFIP minimum standard is in place and primarily relying on the signed certification that active enforcement is occurring. Within Texas there are approximately 1,400 cities and counties and of those about 1,200 participate in the NFIP and thus have NFIP standards in place. Verification of NFIP-participating communities should be straightforward. Of the remaining 200 that do not participate in the NFIP, they may or may not have floodplain management standards in place. For those, TWDB will review the ordinances and regulations provided to assess if they are comparable to NFIP minimum requirements.

Best/Most Recent Available Data (Minimum Standard No. 6)

1. What does best/most recent available data mean?

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.

Request for Construction Funds (Minimum Standard No. 7)

1. What is the requirement for projects requesting construction funds?

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

- The applicant has planned for O&M costs associated with the proposed facilities. O&M costs are not eligible costs under this FIF 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.

SFY 2024-2025 FIF IUP Cycle Timeline

1. What is the anticipated timeline for the SFY 2024-2025 FIF IUP cycle?

The abridged application solicitation period opened on December 15, 2023, and will close on April 15, 2024. Projects will be reviewed and scored in Summer of 2024, and a prioritized list will be published for public comment. The first round of invitations to apply will be sent to invited applicants in Fall 2024. Additional rounds will follow. Typically, the full application due date is two months from when the invitation to apply letter is sent. Please sign up for the TWDB mailing list to be notified of important deadlines and information.

Funds Available

1. How much funding is available for the SFY 2024-2025 FIF IUP? How will that funding be structured?

During the 88th Texas Legislative Session, Senate Bill 30 provided over \$624 million from the general revenue fund in additional funding to the FIF program. The TWDB anticipates utilizing \$375 million during this two-year cycle (SFY 2024-2025) to assist communities with their FIF projects. The Board may increase the funds available in the SFY 2024-2025 FIF IUP cycle if needed. The remaining funds appropriated to the FIF by the 88th Texas Legislature will be utilized in the next FIF funding cycle, expected to be SFY 2026-2027.

Of the \$375 million available for projects, the maximum amount allocated to grants is \$187,500,000 (50% of total available funds). The Executive Administrator may increase this amount allocated to grants. No project will receive more than \$18,750,000 in grant funding

(approximately 10% of the total grant funds available). The interest rate on all loans will be zero percent (0%). Additional details on the funding structure is available in the <u>FIF IUP</u> approved on March 5, 2024.

2. Can additional grant funds be made available?

The TWDB has made a practice of providing financial assistance in a manner that promotes community engagement and follow-through in completing projects in a timely manner. One best management practice to achieve that has been requiring a financing component (loan or local match) to financial assistance that includes grant or principal forgiveness. The TWDB also plans to revolve money through the FIF, which is only possible through lending a portion of the available funds to projects. Based on those directives, the levels of grant to loan provided through the FIF were established at thresholds presumed to assist those communities with the greatest financial burden. The TWDB will work through the prioritized list of projects until all appropriated funding is exhausted, both through grants and loans.

3. My community is not eligible for grant funds based on the grant qualifiers listed in the IUP. How were the grant qualifiers chosen?

The proposed grant eligibilities were based on specific statutory instruction on grant qualifications (Texas Water Code 15.534(a)). The eligibilities were drafted to offer the limited grant funds to those communities with the greatest needs based on their socioeconomic conditions. The statute only allows for grants if one of the following grant qualifiers is met: (1) flood project to serve a rural political subdivision, (2) matching funds for a federal program, or (3) if the board determines that the eligible political subdivision does not have the ability to repay a loan.

Abridged Applications

1. When are the SFY 2024-2025 FIF cycle abridged applications due to the TWDB?

Abridged applications are due Monday, April 15, 2024, at 11:59pm CDT.

2. Can an applicant combine more than one FME/FMP/FMS into one abridged application?

No. One abridged application must be submitted for each FME, FMP, or FMS respectively and cannot be combined. Each abridged application should describe proposed projects from a single category with a single associated 9-digit, regional flood plan unique ID number reference. The working ranking criteria and weights that are anticipated to be used in ranking 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/FMS projects cannot be combined.

When submitting the full financial application, the entity may submit one application covering all invited abridged applications at that time. Any abridged applications that do not receive an invitation cannot be included in that full financial application.

3. Can an applicant submit multiple abridged applications?

Yes. Applicants may submit multiple abridged applications regardless of the category (e.g., FME, FMP, or FMS). When submitting the full financial application, an applicant may submit one application covering all invited abridged applications at that time.

4. The project we want to apply for is on the FME list, but we want to submit an abridged application for this project for the FMP Category. Is this allowed?

No. Only FMEs, FMPs, and FMSs recommended in the Board-approved regional flood plan are eligible for financial assistance. An abridged application may only be submitted for projects on the FME/FMP/FMS corresponding list. For example, if the project is listed as an FME, then an abridged application can only be submitted for that project in the FME Category. An applicant cannot apply for an FMP project if that project is listed as FME on the Board-approved regional flood plan. If the project needs to move from an FME to FMP, the sponsor will need to go through the process to amend the regional flood plan. The applicant can apply for funding as the stages progress and the projects fall under the correct FME/FMP/FMS list, given there is no redundant funding.

5. Can an abridged application be submitted for a project that is not in the regional flood plans?

The TWDB is not able to accept any abridged applications for FMEs, FMPs, or FMSs that are not recommended by the regional flood planning groups in the adopted and approved flood plans in the corresponding lists.

6. Can more than one entity submit an abridged application for separate pieces of the same FME/FMP/FMS with the same single associated 9-digit regional flood plan unique ID number reference?

Yes, this is allowed; however, each applicant must resubmit the planning data for the revised project area/scope. This will likely change the initial FME/FMP/FMS score and ranking and will impact where they fall on the list. There is also the possibility that by splitting up the original project, one may get invited and the other may not, depending on where the revised data causes the now split projects to fall on the list. When submitting the abridged application, please confirm that the projects are still in line with the amended

regional flood plans. During the first FIF cycle, two or more entities could collaborate and work together to submit one application for select FIF projects. This is possible and allowed during this cycle as well.

Partial and Phased Projects

1. What is a partial project and is it eligible?

A partial project is a project that does not include the complete project area and scope of work from what was recommended in the approved amended regional flood plans, or deviates from it. Abridged applications submitted with partial projects from the Boardapproved regional flood plan will be considered ineligible for FIF (excluding phased projects) since the data and rank in the amended regional flood plans will no longer be consistent with the current project data. This eligibility criterion was established to align project scores with the benefits generated by a project. We understand that changes in a proposed project can happen in real time and will allow minor deviations or corrections as long as they are still within the scope of what is on the amended regional flood plan.

Please note that the applicant must resubmit their planning data with the abridged application for a project that has deviated but is still within the scope of what is on the amended regional flood plan. However, it is important to note that this may change the project's score and impact the ranking. Please see pg. 1 and Attachment No. 3 in the abridged application for more details.

Project scopes and claimed project benefits as stated in the abridged application will be verified against the actual projects in the regional flood plan during the review process. Any projects that are subsequently found to diverge from the information presented in the abridged application may be subject to reprioritization and/or removal from the prioritization list, regardless of their initial prioritization. It is important that all project information be presented accurately in this abridged application.

2. What is a phased project and is it eligible?

If a project is divided into multiple parts, either by subparts to a larger project scope or by the phases of a project's development (i.e., planning, design, construction), they can be considered as a phased project. If an applicant seeks FIF funding for a phased project that only incorporates subparts to a larger project scope, TWDB will re-compute the project score based on the benefits generated by the proposed project, which may reduce the score and ranking of the project. The benefits of all the phases of the project selected for a single FIF application will be utilized to compute ranking score of the project. In those instances, the data used for the ranking of the project associated with the FIF abridged application will have to be re-submitted and updated to reflect any reduced benefits in the FIF funding prioritization.

If a portion of an FME/FMP/FMS has already been completed, and the project scope of the remaining portion aligns with the FME/FMP/FMS listed within the Board-approved regional flood plan, then the abridged application may be considered eligible for the FIF, provided all eligibility requirements in the IUP are met.

Amended Regional Flood Planning Data & FIF Prioritization List

1. Will data from the RFPs be used in all cases, or only in cases where the abridged application does not provide enough information?

Data from regional flood plans will be used in all cases. Applicants are required to confirm that the regional flood plan data is still accurate at the time of the submission of the abridged application. If, for some reason, data submitted during the regional flood planning process has changed at the time of the application, the applicant is required to submit all pertinent data in an Excel spreadsheet template provided with the FIF Abridged Application, identify what has changed, and provide a description and justification for the change.

Unless the TWDB is informed otherwise as stated above, data from the regional flood plan will be the default basis for ranking and prioritizing FME, FMP, and FMSs submitted as recommended in the regional flood plan; in most instances, applicants should not need to submit any of the data required for rankings. The TWDB will review abridged applications and full financial applications in reference to the project scope outlined within the regional flood plan FME, FMP, or FMS lists, respectively. FIF abridged applications do not roll-over from each FIF IUP cycle and a new submission would be necessary during the currently open solicitation period; therefore, previously submitted abridged applications for the FY 2020 FIF funding cycle will not roll over to the FY 2024-2025 FIF funding cycle The FIF IUP allows for a submission of abridged applications at any time during the funding cycle, given that funds remain available and an amendment to the project list is approved.

2. Can a project be added to a regional flood plan?

Regional flood planning groups may, at their discretion, amend regional flood plans in accordance with 31 TAC § 361.51. The FIF IUP allows for the submission of abridged applications at any time during the cycle, given that funds remain available and an amendment to the project list is approved.

3. How will the ranking in the amended regional flood plan and the prioritization of the FIF IUP work?

The TWDB anticipates that the ranking criteria and methodology used to develop the 2024-2025 FIF IUP funding prioritization will be closely aligned, if not fully aligned, with the

ranking methodology that is used to develop the final ranked list of all FMEs, FMPs, and FMSs in the adopted state flood plan. The TWDB anticipates incorporating any changes made during the FIF IUP process into the draft state flood plan ranking.

However, these two ranking methodologies may not be identical since TWDB must solicit and consider additional, future comments on a draft state flood plan once it is developed. The ranking methodology used in the final, adopted state flood plan may differ from the ranking method used as part of this FIF IUP because of additional, future public comments received on the draft state flood plan.

The ranked list of projects included in the draft and final state flood plans will rely solely on the final, adopted, and Board-approved amended regional flood plan datasets that were submitted by the regional flood planning groups to the TWDB via their approved geodatabases.

The prioritized FIF IUP list of projects will only include a subset of all FMEs, FMPs, and FMSs recommended in the Board-approved regional plans (those that applied for FIF funding via abridged application).

4. Will projects on the prioritization list be bypassed?

There may be circumstances that may lead to the TWDB needing to bypass a higher-ranked project for a lower ranked project. For instance, the board may wish to bypass a higher scoring project to meet the 15 percent target for federal matching as stated on page 19 of the IUP. The TWDB reserves the board's ability to bypass higher-ranked projects.

5. How will the abridged applications be scored and prioritized?

The TWDB will score abridged applications utilizing the criteria and methodology anticipated to be used in the ranking of projects for the 2024 State Flood Plan, which will be considered for adoption in Fall 2024, in addition to the criteria listed under the Prioritization Criteria section of the FIF IUP. The abridged applications will be listed separately on one of three lists based on the FIF categories in order from the highest to lowest scores. The scores will first be taken from the amended regional flood plans. The score may change based on two additional criteria: (1) FMEs with an AMHI that is \leq 85 percent the statewide AMHI; and (2) if there is a tie, the SVI will be used as a tie braker in favor of the project with the highest SVI.

Project Budget

1. The project budget has changed since it was added to the regional flood plan. Does the amount requested in the abridged application have to match the regional flood plan or can it be updated to the actual present-day costs?

Project costs requested in the FIF Abridged Application may vary from the project cost listed in the Board-approved regional flood plans. However, the total project costs may not change significantly between the abridged application and submittal of the full application.

Average Median Household Income

1. How is AMHI calculated?

For the FME Category, the study area AMHI using a weighted average based on population will be used. For the FMP and FMS Categories, the project area AMHI using a weighted average based on population in each U.S. Census Bureau geographic area will be used.

The U.S. Census Bureau American Community Survey Data can be found here: https://www.twdb.texas.gov/financial/programs/fif/doc/US_Census_Bureau_ACS_data.xl sx. The statewide AMHI that will be utilized for the 2024-2025 FIF Abridged Applications is \$73,035. AMHI is based on the 2022 American Community Survey 5-year estimates. Backup information would include a table showing the specific place, census tracts, block groups used to determine the weighted average AMHI, and showing the AMHI and population for each place/tract/block group used for the calculation.

SVI is determined using the tool here:

https://www.atsdr.cdc.gov/placeandhealth/svi/interactive_map.html. Similar to AMHI, the backup information would include the county or census tracts used to determine the SVI for the project/study area, showing the SVI for each county/tract used for the average. Both the AMHI and SVI backup information can be in the form or a table.

Previously Funded FIF Projects

1. Can projects included in the regional flood plan that have already received FIF funding be eligible to receive additional FIF funding for the SFY 2024-2025 FIF IUP cycle?

Only FMEs, FMPs, and FMSs recommended in the Board-approved regional flood plan are eligible for financial assistance. If a project is not a recommended FME, FMP, or FMS, then the project is not eligible for FIF funding. Past FIF funding would not preclude a project from receiving additional FIF funding for this cycle if the project is recommended in the Board-approved regional flood plan if all other eligibility requirements, including those related to partial projects, are met. It is not eligible to fund the same task or item that has already been funded by TWDB.

Reimbursement of Funds

1. Can costs already incurred be eligible for reimbursement?

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 December 1, 2023, are not eligible except for federal matching funds. Federal matching funds through the FIF will be reimbursed according to the federal program's performance period.

For federal award matching funds projects: Grant funds may be provided for a portion of the applicant's required local match amount. The applicant must have received a federal award for flood-related activities contingent on the availability of local matching funds. As stated in the FIF Program Guidance Manual (TWDB-0104), the TWDB will not reimburse specific construction costs, only providing funds for a portion of the required local share or match for the federal award. The TWDB will provide funds for the entity's required match that are associated with the project activities covered in the amount of federal program funds that have been awarded to date. Recipients may either use their own available funds or borrow FIF funds for any portion of the required local share not provided through the FIF grant funds. In-kind services may be substituted for any loan offered, but only with prior TWDB approval.

Green and Nature-Based Solutions Projects

1. What are green and nature-based solution projects?

Green projects may include establishment or restoration of permanent riparian buffers, floodplains, wetlands, or other vegetated buffers or soft bioengineered stream banks. They may also include projects to manage wet weather and restore natural hydrology by infiltration, evapotranspiration, or harvesting and using stormwater. Projects may include green stormwater infrastructure for transportation rights-of-way or parking areas. Please note this is not an exhaustive list. The final decision on green projects will be made by the TWDB. Nature-based projects are projects that use nature-based features to protect, mitigate, or reduce flood risk, as determined by TWDB, and are considered on a case-bycase basis.

Environmental Review

1. Is an environmental review required for FIF projects?

Environmental review and approval of FIF projects is a requirement for the use of FIF financial assistance for the FMP and FMS categories. It is not a requirement for the FME category. During the application phase, the TWDB Environmental Reviewer will determine

which level of environmental review will be required based on the scope of the project and the potential for environmental impacts. This assessment will be made based on information provided in the application. If additional information is required by TWDB staff, a request for supplemental information will be sent to the Applicant or their consultant at that time.

Alternative Delivery Methods

1. Can FIF projects utilize alternative delivery?

Yes, FIF projects can utilize alternative delivery. The <u>Use of Alternative Delivery Methods for</u> <u>Texas Water Development Board Funded Projects Guidance (TWDB-0570)</u> applies to state funding programs, which includes FIF. The funds needed to execute planning or construction phase activities should be identified accordingly. Refer to TWDB-0570 for additional information related to release of funds for planning, acquisition, design, or construction phase. Additionally, the TWDB team working with the applicant can provide additional guidance based on the specific project needs. It is recommended that the applicant contacts the TWDB team as soon as possible if alternative delivery mechanisms are being considered.