



Hazard Mitigation Assistance (HMA) Cost Share Webinar



Agenda

- Introductions/Welcome Remarks
 - Speaker Introductions
 - Defining cost share, cost-matching, and true in-kind cost share
- HMA Programs and Cost Share
 - Overview
 - Cost Share Requirements & Eligible Sources
- Cost Share in Practice
 - Partner Presentations
- Open Panel/Q&A
- Closing/Polls

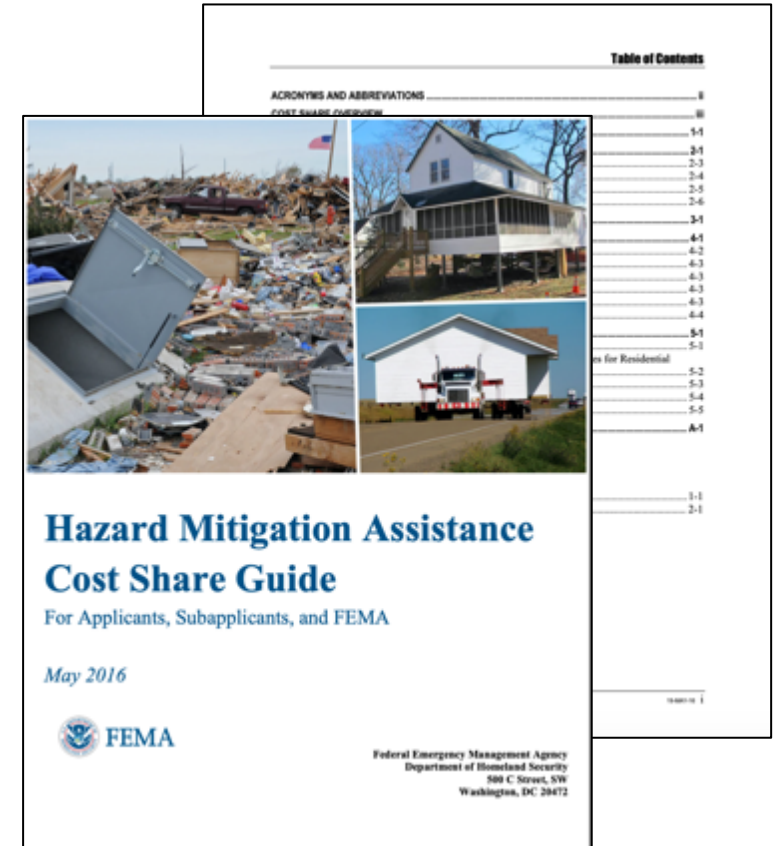
A blue-tinted photograph of a town street. The street is lined with brick buildings, some with signs for businesses like 'Farm Bureau Financial Services' and 'Bull's Head'. There are cars parked along the street and a person riding a bicycle. American flags and other flags are flying from poles. The background shows mountains under a clear sky.

HMA Cost Share Overview

Kayed Lakhia – Deputy Director, Hazard Mitigation Division, FEMA

Hazard Mitigation Assistance (HMA) Cost Share Overview

- HMA defines the following terms for use across its grant programs:
 - **Cost share** – The portion of the costs of a federally assisted project or program borne by the Federal Government or a non-Federal government entity. Cost share is used interchangeably with the term match.
 - **In-kind contributions** – Non-cash donations provided by non-Federal third parties. These can be in the form of real property, equipment, supplies, services and other expendable property.
 - **Duplication of benefits (DOB)** – Used to describe the situation when assistance from more than one source is used for the same purpose or activity



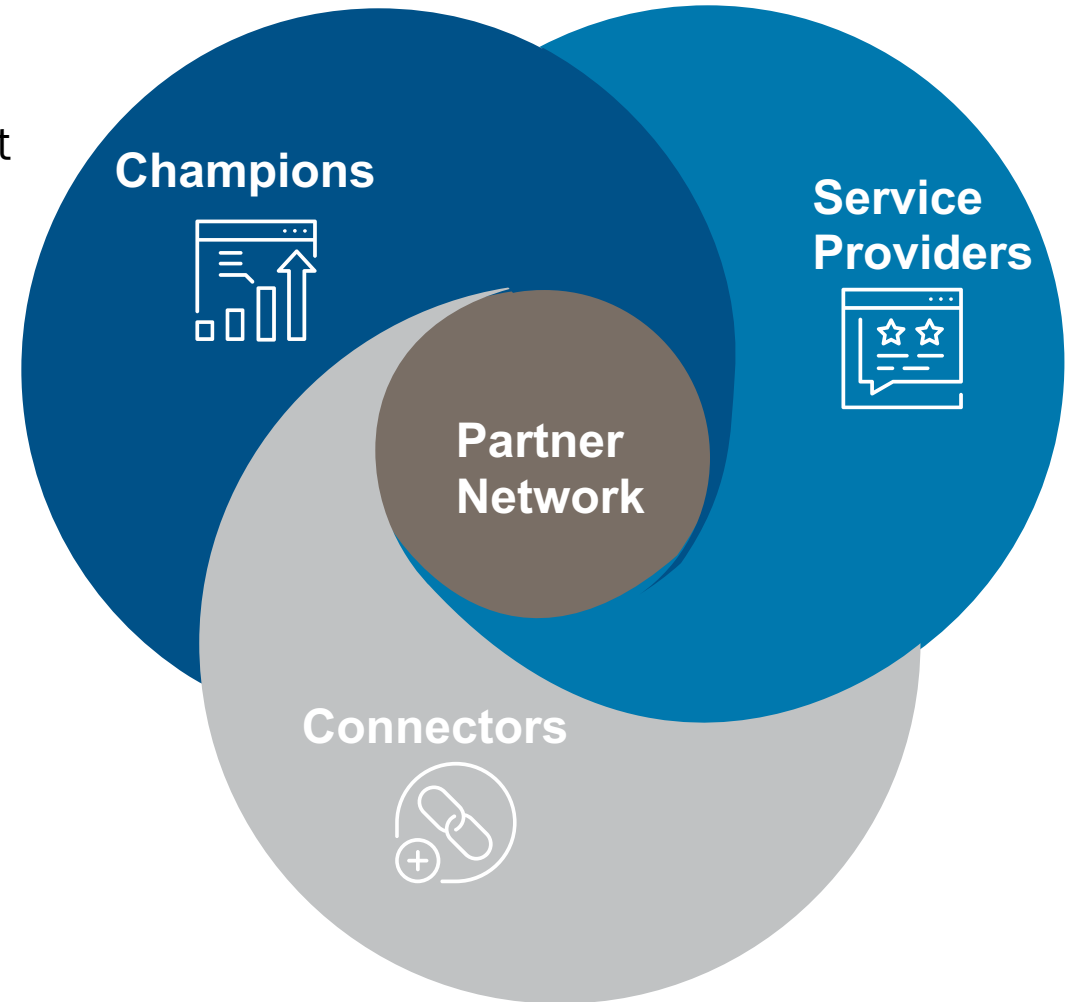
[FEMA Hazard Mitigation Assistance \(HMA\) Cost Share Guide](#) (May 2016)



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Building Public/Private Sector Partnerships

- **Example partners**
 - Federal agencies (i.e. any cost share funds must lose Federal identity to be eligible)
 - State, local, tribal, and territorial governments
 - Private sector and property owners
 - Non-governmental organizations
- **Examples of Partnerships Activities**
 - Outlining community planning processes leveraged during project conception and design
 - Identifying level of public support
 - Coordinating multi-jurisdictional projects
 - Contributing non-federal cost share



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Early Coordination between Partners

Coordinate early with applicants, subapplicants, and community officials in order to address cost share requirements and all programmatic requirements.*



Applicants* determine their own mitigation priorities to mitigate natural hazards in their jurisdictions



Community officials consider the public interest and specific mitigation strategies and projects beneficial to their communities



Once a project is identified, a subapplication is assembled (i.e. includes the Scope of Work, budget, and schedule)

Identification of a cost share source is a major consideration, and any application should describe the extent of its partnerships, including cost share contributions, multi-jurisdiction projects, etc.

*Applicants and subapplicants include State, Local, and Tribal Territories (SLTT)



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HMA Cost Share Requirements

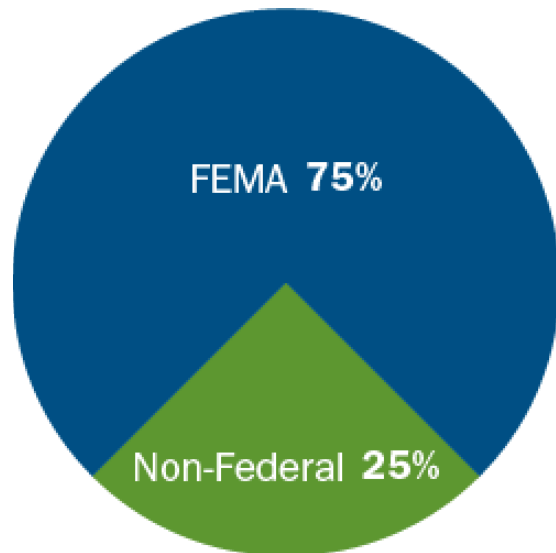
Flood Mitigation Assistance (FMA) Program – Brandon Sweeza

Hazard Mitigation Grant Program (HMGP) – Anna Pudlo

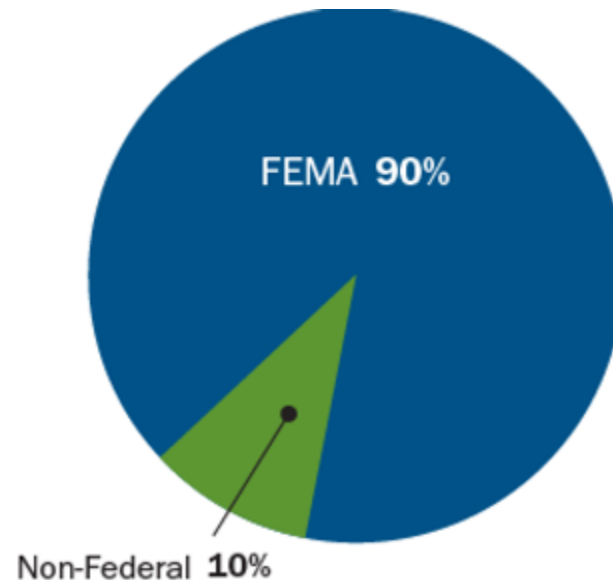
Building Resilient Infrastructure and Communities (BRIC) Program – Camille Crain

Flood Mitigation Assistance (FMA) Program

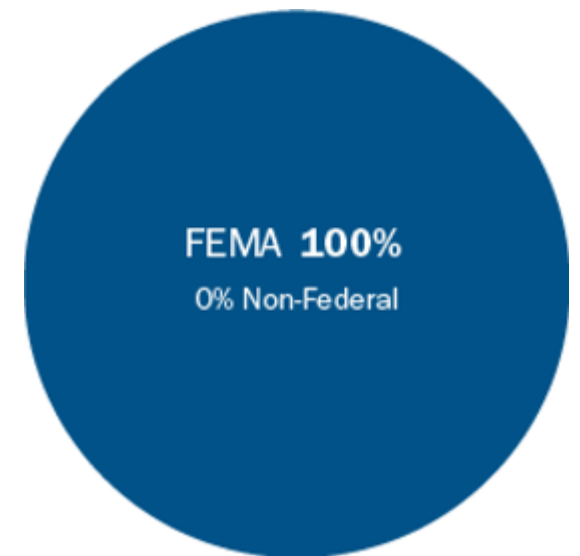
- Provides funds to mitigate National Flood Insurance Program (NFIP)-insured properties funded by an annual user fee by the National Flood Insurance Fund.
- Provides funds to States, territories, federally-recognized tribes, and NFIP participating local governments



- Individual Property Flood Mitigation - **Not** SRL or RL
- Project Scoping
- Community Flood Mitigation (Localized Flood Control)
- Flood Mitigation Plans
- Technical Assistance



- Individual Property Flood Mitigation – Repetitive Loss (RL)



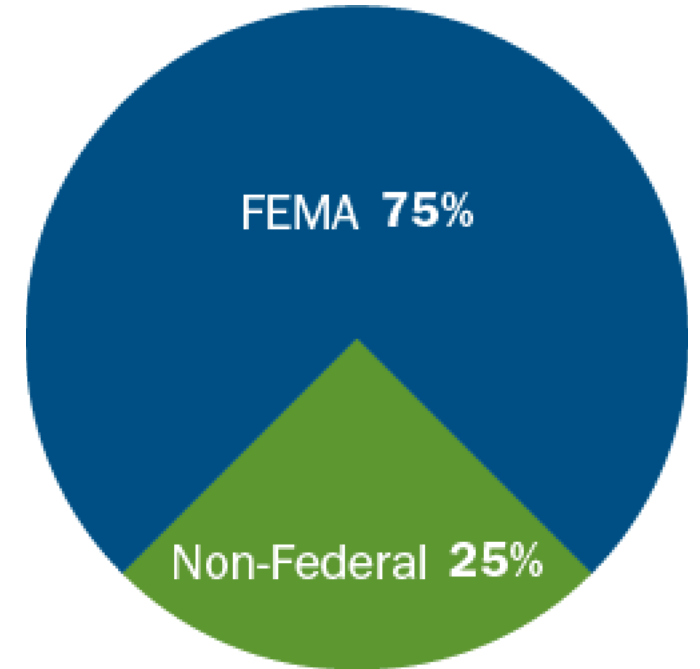
- Individual Property Flood Mitigation – Severe Repetitive Loss (SRL)

Hazard Mitigation Grant Program (HMGP)

Provides funds to States, territories, federally-recognized tribes, local governments, and eligible private nonprofits following a Presidential major disaster declaration

HMGP Global Match – The non-Federal cost share for an applicant’s submitted projects combined must equal 25 percent for the overall disaster (see graphic).

- **Benefits**
 - Increased flexibility in the use of various cost share methods at the federal award level
 - Ability to utilize the cost share match from certain subawards to help alleviate the financial burden on other subawards
- **Considerations**
 - Need timely coordination among Applicant, FEMA, and any other entity that provides the match



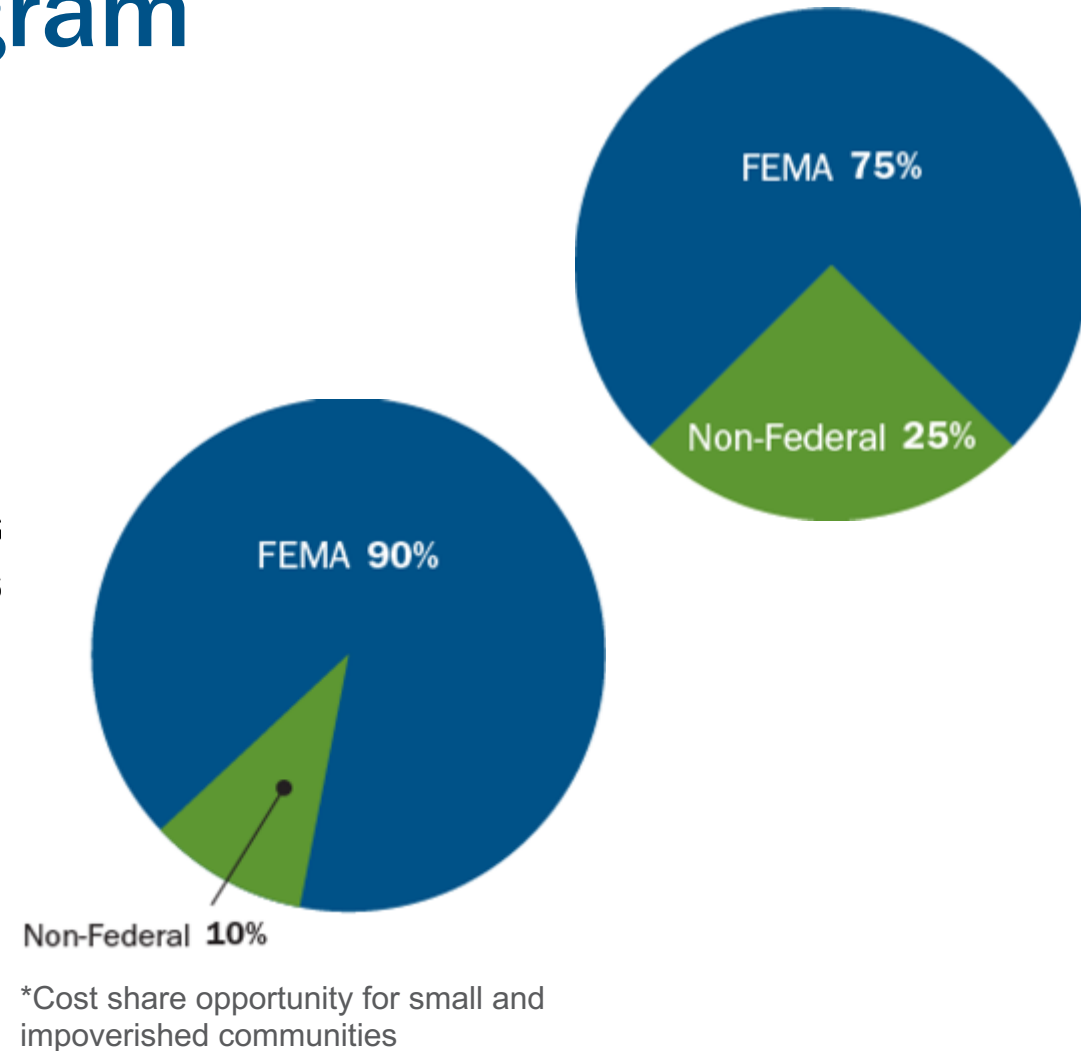
Non-Federal Cost Share Requirements for Applicants is 25 percent



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Building Resilient Infrastructure and Communities (BRIC) Program

- BRIC provides funds to States, territories, federally-recognized tribes, and local governments.
 - Small and impoverished communities eligible for 10 percent cost share requirement*
- A small and impoverished community is defined as
 - Population** – A community of 3,000 or fewer individuals identified as a rural community that is not a remote area within the corporate boundaries of a larger city or boundary
 - Economy** – Be economically disadvantaged, with residents having an average per capita annual income not exceeding 80 percent of the national per capital income



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Eligible Sources of Cost Share Funds

Non-Federal Cost Share Funds*



Cash can be from property owner, local or state government, or other donations. It is simple and ready to use.

- Examples include property owners' savings or loans, tax revenues, bonds or other sources, force labor account, and community grants (from the state, tribe, territory, or local institutions own resources)



Donated Resources include professional services, labor, or materials donated by individuals or businesses, etc.

- Examples include donation of land, materials and/or labor, services from any non-Federal sources
- Consider partnership opportunities with community leaders and officials, and non-government organizations



Increased Cost of Compliance (ICC) Funds Property owners may be eligible for up to \$30,000 from NFIP if the building is insured at the time of flood loss

- Community must declare at least 50 percent of the building substantially damaged or repetitively damaged by flood AND must be brought into compliance with the local ordinance
- Certain activities allowed under HMA are not eligible for ICC

Federally-awarded Cost Share Funds*

Government Loans such as SBA, USDA, or EPA loans, may be available if those funds lose their Federal identify upon award.

- Applicants are responsible for ensuring no duplication of benefits and must check with the FEMA program office for eligibility
- Examples are not an exhaustive list of all eligible loan options



HUD Rehab Mortgage Insurance Funds Homeowners may be eligible for up to \$5,000 for eligible improvements. Applications must be submitted through an FHA-approved lender.

- Eligible renovations or improvements range from minor to major reconstruction



HUD CDBG Funds are available to help cities and countries recover from presidentially declared disasters.

- Subapplicants may be able to use these funds if the HMA projects are eligible under the HUD program
- Partner presenter will speak toward the partnership opportunities with this cost share option



* See Appendix A for definitions and/or description of acronyms

Example Project: Donated Cash and Services

Project Description: The subapplicant intends to purchase a property located next to Little River Creek in the standard flood hazard area (SFHA). The property will be turned into open space and deed restricted in perpetuity after acquisition. The city will utilize three different funding sources to provide the 25 percent non-federal cost share.

Project: Acquisition and demolition of one repetitive loss house in the SFHA for a total project cost of \$114,000 using an HMGP award

Federal Share	\$85,500 (75 percent of the total federal award amount)
Non-federal Cost Share	\$28,500 (25 percent non-federal cost share)
Sources of non-federal Cost Share	<ul style="list-style-type: none">• Donated in-kind resources from third party and subapplicant: \$14,000 (49 percent)• Cash from Applicant: \$10,000 (35 percent)• Cash from Property Owner: \$4,500 (16 percent)



Cost Share in Practice: Partner Presentations

Marty Chester – Lead Grants Management Specialist, Region VI, FEMA

Clay Lloyd – Specialist, Disaster Recovery & Special Issues (DRSI) Division, U.S. Department of Housing & Urban Development (HUD)

Steve Crout – Director, Policy & Resilience Programs, Smart Cities Council Founder & Principal, CityTech Strategy Group, LLC



Local Drainage Improvement

Marty Chester – Lead Grants Management Specialist, Region VI, FEMA



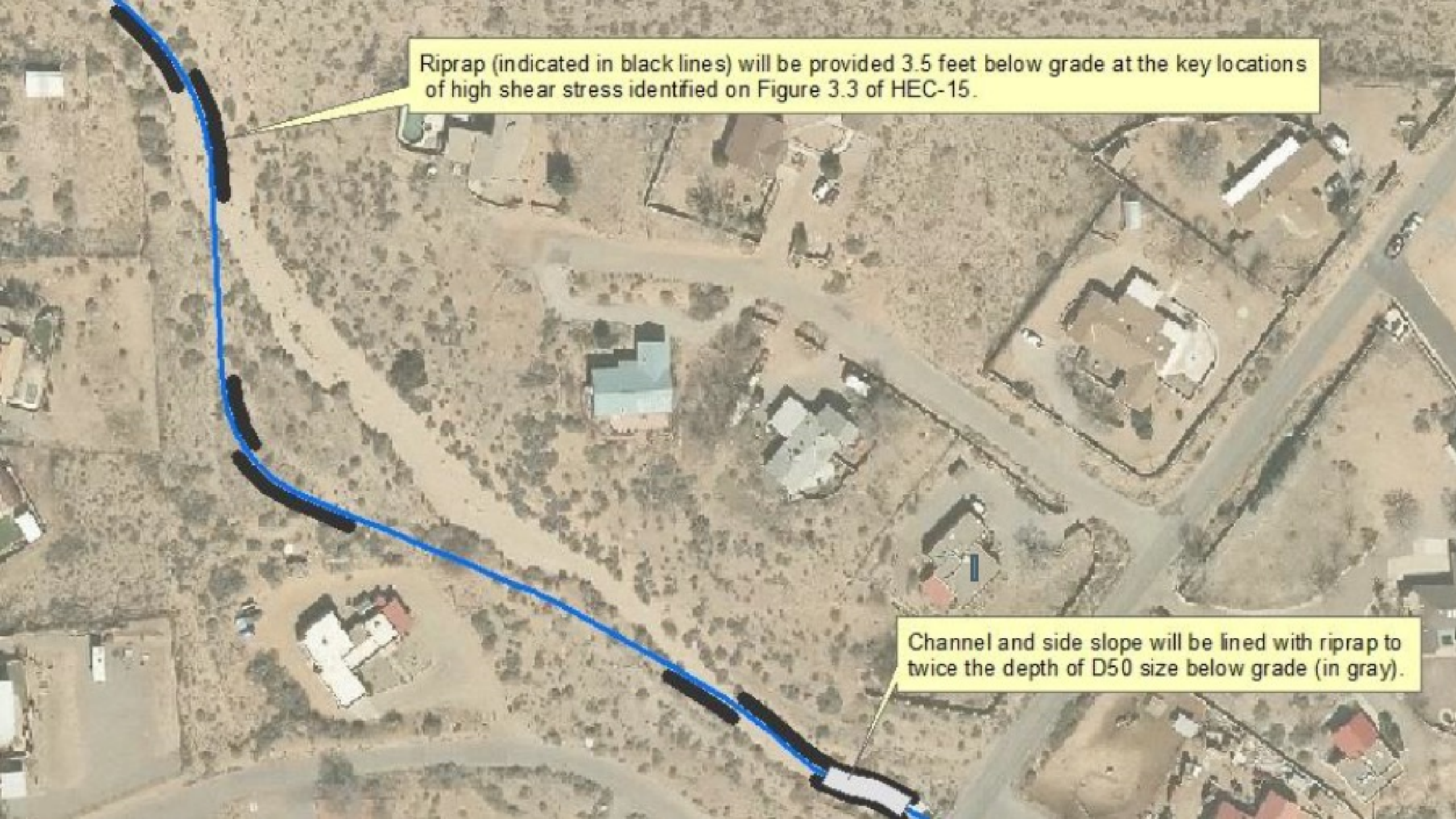
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Project Description

This project includes the expansion and realignment of an existing drainage channel. It will greatly reduce the flow velocities of the 100-year discharge, prevent storm water from overtopping the banks, eliminate the inundation of private property and structures, and eliminate the flow of storm water into low-lying public rights-of-ways. The realignment will also remove encroachments on private property.



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An aerial photograph of a residential neighborhood with a blue channel and black riprap markers. The channel is a blue line that curves through the area, starting from the top left and ending at the bottom right. Black lines are placed along the channel and its side slopes, indicating riprap locations. A yellow callout box points to one of the black lines. Another yellow callout box points to the channel and side slope area.

Riprap (indicated in black lines) will be provided 3.5 feet below grade at the key locations of high shear stress identified on Figure 3.3 of HEC-15.

Channel and side slope will be lined with riprap to twice the depth of D50 size below grade (in gray).

Project Budget and Cost Share Specifics

- Federal Share: \$395,603.76
(75 percent of the project cost)
- Non-Federal Share: \$142,546.06
(25 percent of the project cost)
- Total Estimated Cost: \$538,149.82

The budget consists of four overarching activities

- Project Permitting
- Project Construction
- Construction Inspection and Certification
- Project Management and Administrative

The community offset some of the \$142,546.06 by utilizing in-house force account labor.



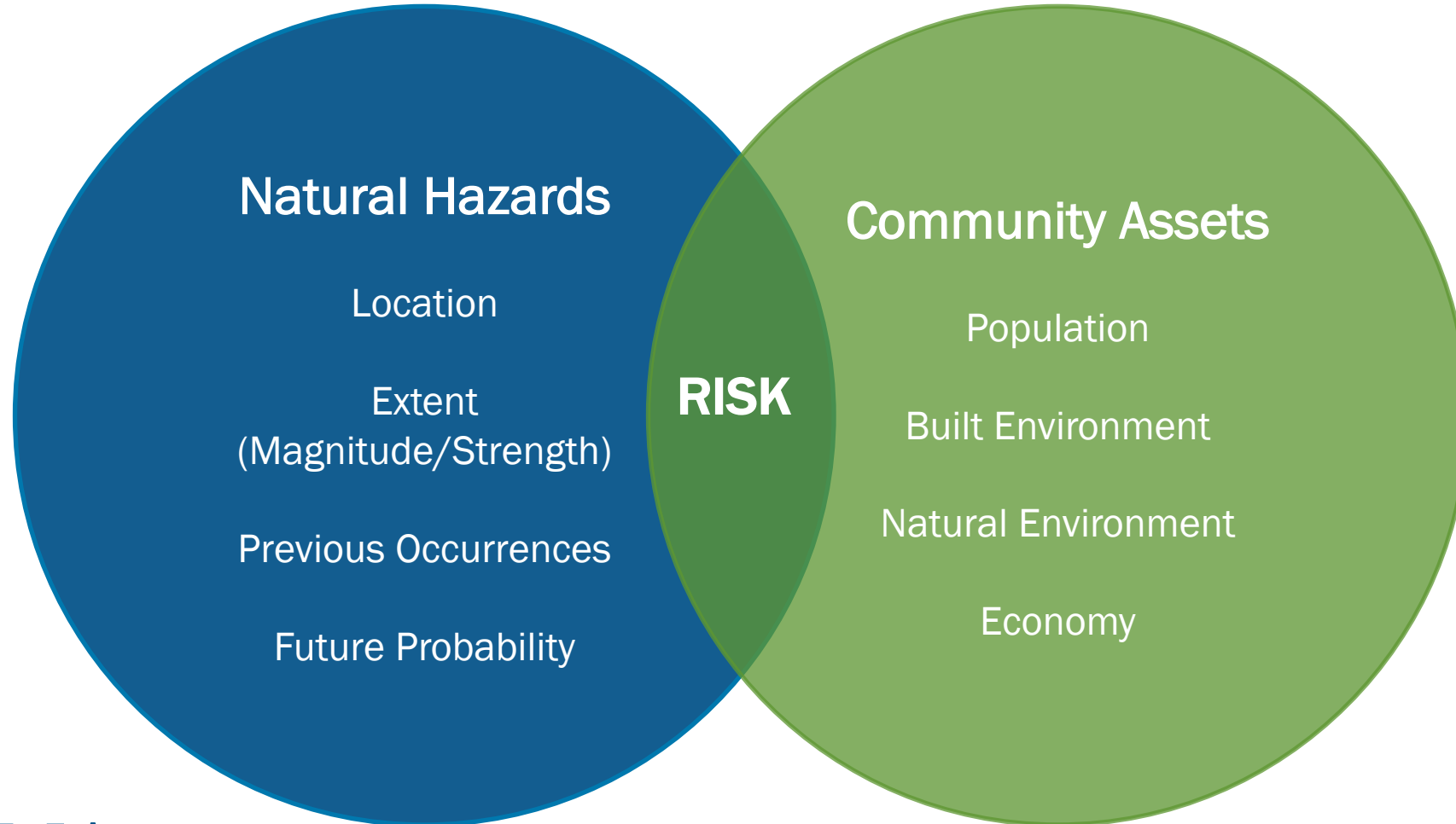
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In-Kind Contributions

Classification	Estimated Hours	Rate	Total	Responsible Party	Description
Construction Management Oversight	65.00	\$65.14	\$4,234.10	Local Jurisdiction	Project Manager- Engineer will oversee the completion of the project in accordance with approved design. Review / approve change request. Respond to requests for information
Construction Compliance	130.00	\$47.26	\$6,143.80	Local Jurisdiction	Engineer will attend all engineering compliance meetings. Coordination for permitting compliance. Coordination with contractor. Final competition certification.
			\$10,377.90		



Local Mitigation Planning



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Local Mitigation Planning

- Local Mitigation Plans form the foundation for a community's long-term strategy to reduce disaster losses and breaks the cycle of disaster damage, reconstruction, and repeated damage.



Hazard Mitigation Assistance Grant Programs

Flood Mitigation Assistance Program

Hazard Mitigation Grant Program

Building Resilient Infrastructure and Communities Program



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Planning – Budget Sample

Item Name	Cost Category	Unit Quantity	Unit Measure	Unit Cost (\$)	Cost Estimate (\$)
Pre-Award Application Development	Personnel	20	Hours	\$ 20.00	\$ 400.00
Contracted Plan Development	Contractual	1	Flat	\$ 28,000.00	\$ 28,000.00
Grant Administration	Personnel	36	Hours	\$ 20.00	\$ 720.00
Distribution	Personnel	5	Hours	\$ 20.00	\$ 100.00
Total					\$ 30,456.00

IN-KIND - Sample

Staff Position	Hourly wage	Hours	Amount
Emergency Manager	\$ 10.50	135	\$ 1,417.50
Floodplain Manager	\$ 23.50	70	\$ 1,645.00
Government Relations	\$ 28.00	125	\$ 3,500.00
Finance Director	\$ 32.69	65	\$ 2,124.85
Procurement Officer	\$ 23.00	70	\$ 1,610.00
GIS Mapper	\$ 24.25	65	\$ 1,576.25
		530	\$ 11,873.60

Non-Federal Cost Share Ideas

- Cash
- Staff time for Project Management and Financial Management
- Staff and Volunteer time to conduct Community Outreach to develop the project
- In-kind donations – time is “in-kind” donation – services, materials
 - Careful documentation is required – time-tracking spreadsheets

Federal funds that can be used for non-federal share:

- HUD Community Block Grant funds
- Department of the Interior Bureau of Indian Affairs funds
- HUD Indian Health Service funds

Note: This list is not exhaustive of all potential federal funds that can be used for non-federal cost share. Additional information can be found in the HMA Cost Share Guide.



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Community Development Block Grant (CDBG) Program

Non-Federal Cost Share between HUD and FEMA

Overview

- Program HUD's Community Development Block Grant programs
- Requirements CDBG Non-Federal Cost Share
- Entry Point Establishing a partnership with HUD CDBG funds
- Process Setting up the Non-Federal Cost Share between CDBG-DR and FEMA programs
- Implementing Executing a Non-Federal Cost Share program
- Resources



HUD – Community Development Block Grant Programs



- State CDBG
 - Regular State CDBG, with annual allocations to States across the country.
- Entitlement CDBG
 - Regular Entitlement CDBG, with annual allocations to eligible Local Governments across the country.
- CDBG-CV
 - CDBG COVID, with supplemental allocations for areas that are recovering from COVID19.
- CDBG-MIT
 - CDBG Mitigation, with supplemental allocations to both State and Local Grantees for the most impacted and distressed areas resulting from major disasters between 2015 and 2017.
- CDBG-DR
 - CDBG Disaster Recovery, with supplemental allocations to both State and Local Grantees for the most impacted and distressed areas resulting from major disasters (2001–present).



Requirements of CDBG-DR



Community Development Block Grant – DR

- Award: State and Local Governments Grantees
- Admin: Grantees submit an Action Plan that lists their programs and eligible activities
- Purpose: Develop viable communities through eligible activities, principally for low-and moderate-income persons

- Housing
- Economic Development
- Infrastructure
- Planning
- Public Services



- Generally, 70 % of total CDBG funds must benefit Low-Moderate Income Persons



Requirements of CDBG Non-Federal Cost Share



- Using CDBG funds for the Non-Federal Cost Share:
 - ✓ Is a CDBG program
 - ✓ Undertakes CDBG eligible activities
 - ✓ Follows CDBG regulations
 - ✓ Davis Bacon (where applicable), NEPA, Public Participation, etc.
 - ✓ Is listed in plan (Action Plan or Annual Plan)
 - ✓ Project costs are CDBG eligible costs (for \$CDBG portion of project)
 - ✓ Program Administration can be done by the FEMA subapplicant (established through an agreement like an MOU)



Entry Point and Process

- ✓ **The new CDBG activity must be included in an approved Plan**
- ✓ **Write an MOU/Subrecipient Agreement between FEMA Subapplicant and CDBG Grantee**
 - Designate responsible entities for work
 - Program Overview, Budget, Requirements
- ✓ **Develop the CDBG Program policies and procedures**
 - Include: explanation of how you plan to meet the match
 - Procedures for administering CDBG program
- ✓ **FEMA Subapplicant follows procedures and MOU/Subrecipient Agreement**
 - Submit documentation of eligible costs to Grantee, to approve and draw HUD funds



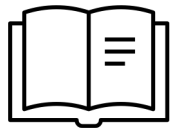
Implementation - Voluntary Buyout/Acquisition Example



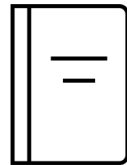
Identify if any tenants qualify for Relocation Assistance



MOU
Written



Action Plan
Amendment



Policies &
Procedures



Community
Outreach:
Identify and
Select
Interested Parcels



Procurement
for Work

- Title
- Env. Review
- Demo



Environmental
Review
on Parcels



Close with
Beneficiaries
on
Sale of
Property



Demolition
Removal and
Green Space



Implementation

❖ Memorandum of Understanding (MOU)/ Subrecipient Agreement

- Why?
 - HUD considers its Grantee's department as the responsible entity.
 - Therefore, any partnership where program administration and implementation is passed to another department requires a formal agreement to ensure role and responsibilities are clear
- Contract Contents
 - Grant Award Amount, Goals and Objectives, Scope of Work, Budget, Program Costs, Performance, Payment, Documentation/Records, Procurement, and other Cross-Cutting requirements



Resources

- CDBG Programs Info:
 - <https://www.hudexchange.info/programs/cdbg/>
- Grantee Lookup for CDBG-DR and CDBG-MIT funds
 - <https://www.hudexchange.info/programs/cdbg-dr/cdbg-dr-grantee-contact-information/#all-disasters>
- Grantee Lookup for CDBG State funds
 - <https://www.hudexchange.info/programs/cdbg-state/> then select “Contact a Grantee”.
- Grantee Lookup for CDBG Entitlement or CDBG-CV funds
 - <https://www.hudexchange.info/grantees/> then select “by Program” CDBG, and filter for your state.
- CDBG Non-Federal Cost Share Example (Voluntary Acquisition/Buyout)
 - <https://files.hudexchange.info/course-content/2019-cdbg-dr-problem-solving-clinic-days-2-and-3-active-cdbg-dr-grantees/Planning-and-Implementing-Buyout-Programs-Slides.pdf>



Resources

2020 Implementation Guidance on Non-Federal Cost Share between FEMA PA and HUD CDBG-DR:

- <https://www.hudexchange.info/news/new-implementation-guidance-for-use-of-cdbg-dr-funds-as-non-federal-cost-share-for-femas-public-assistance-program/>



FEMA BRIC Program

Cost Share Webinar October 29, 2020

Steve Crout
Founder, CityTech Strategy Group
&
Director, Policy and Resilience Programs
Smart Cities Council

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READINESS FOR RESILIENCE

A Resilient Technology Roadmap for Puerto Rico

With Partners:



GOVERNMENT OF PUERTO RICO
Puerto Rico Federal Affairs Administration




NASEO
National Association of
State Energy Officials

SmartCitiesCouncil



The Business Council
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TEXAS A&M
AGRI LIFE
EXTENSION



REBUILD TEXAS
The Governor's Commission to Rebuild Texas



TEXAS COMMUNITY
WATERSHED
PARTNERS



FEMA BRIC Program

Guiding Principles

Capacity Building

“Supporting communities through capability- and capacity-building; encouraging and enabling innovation; promoting partnerships; enabling large projects; maintaining flexibility; and providing consistency.”

Readiness for Resilience Program

[Core Partners \(comms, cities, energy\)](#)

Qualcomm Foundation

Smart Cities Council

Business Council for Sustainable Energy

National Association of State Energy Officials

Partnerships Work

[Local Partners \(academia, government, non-government organizations\)](#)

Texas A&M AgriLife

Governor's Commission to Rebuild Texas

Texas Community Watershed Partners

Government of Puerto Rico

Capability & Capacity Building

Readiness for Resilience Program

Technology Neutral Trusted Advisor Forum for Resilience Stakeholders

Three Phase Program



- 1) **Discovery phase** – learn of local rebuilding needs
- 2) **Develop Resilience Roadmap** – pair community needs with smart technology best practices
- 3) **Rebuilding Proposals** – community-based projects, PPPs, funding source

Readiness for Resilience Program

Partner Contributions

Adding Value

Core Partners

Qualcomm Foundation – Grant funding, technical expertise, management, planning/strategy

SCC – Planning/Strategy, Cities Best Practices, Smart Technology Data, Workshop Guides, Industry Partners, Roadmapping, Activator License

BCSE – Planning/Strategy, Industry Partners, PPP Case Studies, Clean Energy Fact Book, Technical Expertise

National Association of State Energy Officials – Planning/Strategy Governance, Technical Expertise, Roadmapping

Local Partners

Texas A&M AgriLife – Strike Teams, Technical Expertise, Facilities, Research, Planning/Strategy

Governor's Commission to Rebuild Texas – Planning/Strategy, Roadmapping

Texas Community Watershed Partners – Research

Smart Cities Approach

Scalability

Best Practices

- A region-wide approach – as opposed to a single city or community approach
- A multi-purpose platform that connects all infrastructure – as opposed to single purpose systems
- Real-time data about all public amenities and infrastructure – as opposed to systems with historical data only
- Public-private partnerships that can collaborate to create a total solution

Project Development

Funding & Financing

Best Practices

- Capital staking by bundling together financing approaches
- Project pooling by bringing together stakeholders under a single umbrella
- Repurposing existing budgets to pay for some of the project and the ongoing operations
- Using cost savings to pay for some of the project – energy savings, procurement savings, operations and maintenance savings, and head count reductions by eliminating redundant positions

Appendix

[Private sector participation in public sector financing: An introduction](#) Deloitte Center for Government Insights. This 74-page document is an excellent overview of the ways cities can access private-sector capital.

[Smart Cities: A Toolkit for Leaders](#) Wharton School at the University of Pennsylvania. A well-written 46-page overview of smart city issues, including a short chapter on financing.

[Smart Cities Readiness Guide](#) Smart Cities Council. With more than 400 pages and 100 case examples, the Readiness Guide is a comprehensive framework for a smart city.

Resources

[SmartCityPHL Roadmap](#) City of Philadelphia. This 24-page report sets out a compelling vision for Philadelphia's smart city future. Describes the inclusive planning process, lists the city's existing assets, describes outcomes and impacts and discusses funding options.

[Ten Principles for Successful Public/Private Partnerships](#) Urban Land Institute. This 42-page document explains 10 common-sense approaches to improve the outcomes from public-private partnerships.

Continued Learning

[Using Public-Private Partnerships to Advance Smart Cities](#) Deloitte Center for Government Insights. An excellent, 10-page overview with short case studies.

A blue-tinted photograph of a town street. The street is lined with brick buildings, some with signs for businesses like 'BULL DOG' and 'TEA'. There are cars parked along the street and a person riding a bicycle. American flags and other flags are flying from poles. In the background, there are mountains. The overall scene is a typical small-town street.

Panel Session

Ryan Janda – Branch Chief, Hazard Mitigation Assistance Division, FEMA


FARM BUREAU
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Questions?



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Appendix A: List of Acronyms

- **HMA Division** – Hazard Mitigation Assistance Division
- **SLTT** – State, Local, and Tribal Territories
- **FMA** – Flood Mitigation Assistance
- **RL** – Repetitive loss
- **SRL** – Severe repetitive loss
- **HMGP** – Hazard Mitigation Grant Program
- **BRIC** – Building Resilient Infrastructure and Communities
- **HUD CDBG** – U.S. Department of Housing and Urban Development, Community Development Block Grant Program
- **SBA** – Small Business Administration
- **USDA** – U.S. Department of Agriculture
- **EPA** – Environmental Protection Agency
- **ICC Funds** – Increased Cost of Compliance Funds
- **FHA** – Federal Housing Administration
- **NFIP** – National Flood Insurance Program



Appendix B: Terms and Definitions

- **Applicants** – the entity, such as a State, territory, or federally-recognized tribe, applying to FEMA for a Federal award that will be accountable for the use of the funds. Once funds are awarded, the Applicant becomes the Recipient or pass-through entity or both.
- **Subapplicants** – a State-level agency, federally-recognized tribe, local government, or other eligible entity that submits a subapplication for FEMA assistance to the Applicant. Once funds are awarded, the subapplicant becomes the subrecipient.
- **Public-Private Sector Partnerships** – a contractual agreement between a public agency (federal, state, or local) and a private sector entity. Through this agreement, the skills and assets of each sector (public and private) are shared in delivering a service or facility for the use of the general public. In addition to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service and/or facility (National Council for Public-Private Partnership)



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