DISASTER FUNDING

Programs to assist communities recover and build resilience
Objectives

1. Develop a culture of preparedness
2. Insurance as a first line of funding
3. Types of disaster assistance
   A. Disaster driven
   B. Non-disaster opportunities
Disaster response is a joint effort

- Responding to disasters (including funding) cannot come from one source
- Responsibilities are shared:
  - Individuals
  - Communities
  - Non-governmental organizations
  - Private sector
  - Local government
  - State (such as state legislation passed Monday)
  - Federal government
Insurance

- Insurance not only benefits those directly affected by a disaster, it also reduces the need for government disaster assistance and lowers costs for taxpayers.

- National Flood Insurance Program (NFIP)
  - Provides affordable insurance to property owners, renters and businesses.
  - Encourages communities to adopt and enforce floodplain management regulations.
  - Reduces the socioeconomic impact of disasters.

Insurance is your first line of funding
Federal involvement

- Federal response efforts including funding are not available unless the state and local resources are overwhelmed

- How is this determined?
  - Request from the Governor
  - Presidential Disaster Declaration – usually based on Preliminary Damage Assessment (PDA)
PDA for 2016 Ellicott City flooding

- The PDA indicated 97 homes affected with an estimated Individual Assistance cost = $232,932
- The Public Assistance estimate was $8.6 M
  - Statewide per capita impact = $1.49 vs. indicator = $1.41
  - Countywide per capita impact = $26.56 vs. indicator = $3.57
- Therefore, the declaration was made for Public Assistance
## Disaster driven Federal funding opportunities

<table>
<thead>
<tr>
<th>Individual Assistance</th>
<th>Public Assistance</th>
<th>Hazard Mitigation Grant Program</th>
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<tbody>
<tr>
<td>▪ Direct aid to affected households</td>
<td>▪ Provides grants to tribal, state and local governments and certain private nonprofits</td>
<td>▪ Funds mitigation and resiliency projects and programs</td>
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<td>▪ Covers uninsured losses</td>
<td>▪ Covers:</td>
<td>▪ HMGP funds are typically 15% of the amount of the amount obligated for PA plus IA</td>
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<td>▪ Capped at $34,000 per household</td>
<td>▪ Emergency protective services</td>
<td>▪ Can be used state wide</td>
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<td><strong>SBA disaster loans</strong></td>
<td>▪ Debris removal</td>
<td>▪ HMGP is known as Section 404 mitigation (Stafford Act)</td>
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<td>▪ Low interest loans to businesses, renters, and homeowners</td>
<td>▪ Repair or replacement of damaged public infrastructure</td>
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<td>▪ For losses not covered by insurance or FEMA</td>
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These opportunities are dependent on a Presidential disaster declaration.
Section 406 Hazard Mitigation

Section 406 mitigation falls under the PA program; eligible mitigation measures:

- Must be appropriate to the disaster damage and must prevent future damage similar to that caused by the declared event
- Must be applied only to the damaged elements of a facility
- Cannot increase risks or cause adverse effects to the facility or other property
- Must consist of work above and beyond the restoration scope
- Cannot be applied to replacement buildings
- Applies to damaged publicly owned infrastructure or privately owned infrastructure that provides an essential public service
Section 404 Mitigation – Hazard Mitigation Grant Program (HMGP)

- HMGP is administered by FEMA but outside of the PA program
- Vulnerable to any natural event, not just declared event
- Can be used on private property
- Project can not be eligible under any other federal program
- Must be cost effective and meet other performance criteria
- The project must be technically feasible, cost effective and conform to environmental regulations, and
- Must provide a long-term solution to address a specific problem
HMGP Process

- Notice of Funding Availability
- Applicant Briefings
- Applications submitted to state for eligibility review
- State conducts project reviews
- State submits eligible projects to FEMA for final approval and potential funding consideration
- Upon FEMA approval, State begins the project/grant management process
## Non-disaster related funding opportunities

**Flood Mitigation Assistance (FMA)**
- Goal is to reduce or eliminate claims under NFIP
- State must have an adopted Hazard Mitigation Plan
- Homeowners, businesses and private nonprofits

**HUD CBDG-DR**
- Not annually funded
- Funded via individual supplemental appropriations
- CDBG Regulations apply, unless modified by Federal Register Notice

**Other Federal programs**
- US Army Corps of Engineers Emergency Assistance
- US DOT Federal Aid Highway Emergency Relief
- USDA Agriculture and Rural Assistance

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These opportunities are administered outside the Stafford Act
Pre-Disaster Mitigation Grant Program (PDM)

- Not disaster-specific
- Nationally competitive and subject to annual congressional funding limits
- Goal is to reduce overall risk from future hazards
- Planning and project grants
- Requires state, territorial, tribal and local governments to adopt hazard mitigation plans
- The FY 2018 application period closed 1/31/19
Takeaways

- Disaster response and recovery is a shared responsibility
- Insurance is a good first line of resiliency
- There are many funding opportunities available but no one program answers all requirements
- Developing a culture of preparedness will reduce the costs of recovery
Follow up contact information

Ed Hagarty DSc PE CFM BCEE | Principal Engineer
ed.hagarty@arcadis.com
Arcadis
4301 North Fairfax Drive, Suite 530, Arlington, VA | 20023 | USA
M. +1 301 642 3112