

### **3.4 FEMA MITIGATION PROGRAM IMPLEMENTATION CAPABILITY ASSESSMENT**

Since hazard mitigation is a Federal-state-local partnership, states have a responsibility for maintaining competency in the ability to manage and implement a robust state hazard mitigation program. Hopefully, this program would not only effectively administer FEMA mitigation programs, but would also assist in the administration or promotion of other mitigation programs that are offered by different entities. For example, many local mitigation plans identify structural flood control as a possible mitigation measure. A competent state mitigation program at the state would not only be aware of possible USACE programs that could be utilized, but could facilitate getting the project underway.

Overall, Ohio has been a leader in implementing FEMA mitigation programs for many years. In addition to participating in every FEMA mitigation initiative that has ever been proposed, Ohio achieved the *managing state* status, which provided Ohio more autonomy over the management of these programs. Unfortunately, this status has been discontinued by FEMA because of new statutory language in DMA 2000 for which FEMA has not yet written implementation rules. This new statutory language would allow FEMA mitigation programs to be delegated to the state.

State mitigation planning criteria under the Stafford Act focuses on competency delivering FEMA mitigation programs. The following sections describe the Ohio EMA Mitigation Branch's capability in this regard. This section does not currently include evaluation of the state's other hazard mitigation programs that are at least partially supported by FEMA – the Floodplain Management Program and Dam Safety Program.

#### **PROJECT IMPLEMENTATION CAPABILITY**

The 44 CFR 201.5(b)(2) (i) and (ii) states that an enhanced SHMP must document the state's project implementation capability, identifying and demonstrating the ability to implement the plan, including:

- Established eligibility criteria for multi-hazard mitigation measures;
- a system to determine the cost effectiveness of mitigation measures, consistent with OMB Circular A-94, Guidelines and Discount Rates for Benefit-Cost Analysis of Federal Programs; and
- a system to rank the measures according to the state's eligibility criteria (*Evaluation criteria*).

For the purposes of this section, *eligibility criteria* are those that either allow or disallow a mitigation project to be considered further. *Evaluation criteria* are those that allow for a comparison different mitigation projects.

## **Eligibility Criteria for Hazard Mitigation Measures**

Generally, the State of Ohio does not establish eligibility criteria for hazard mitigation measures that exceed those found in the Code of Federal Regulations (CFR) or specific program guidance. The main exception to this is under HMGP. In fact, Ohio in many instances, advocates for inclusion of measures where guidance is vague.

### **HMGP**

The CFR identifies several eligibility requirements for projects under HMGP (these criteria, with usually only slight modifications are applicable to the other four FEMA mitigation programs as well):

1. Applicants can only be state and local governments or certain non-profit entities (Ohio does not have any Federally recognized Indian tribes).
2. State and local mitigation plan must have approved mitigation plans in place.
3. Projects must be consistent with state and local mitigation plans.
4. Projects must have a beneficial impact on the disaster area.
5. Projects must be in conformance with Federal environmental regulations, including 44 CFR Part 9, Floodplain Management and Protection of Wetlands and 44 CFR Part 10, Environmental Considerations.
6. Projects must solve a problem independently or constitute a functional portion of a solution, where there is assurance that the project as a whole will be completed.
7. Project must be cost-effective and substantially reduce the risk of future damage, hardship, loss, or suffering resulting from a major disaster (*see Cost-Effectiveness of Mitigation Measures section below*).
8. Project must be an eligible activity. Under HMGP, an eligible activity could be one that is an eligible project type – a mitigation planning project, a 5% special initiative project, or a routine “sticks and bricks” mitigation project (acquisition, elevation, retrofitting, safe room, etc.).
9. Applicant must commit to required non-Federal cost share.

In Ohio, competition for HMGP funds is tremendous. On average, project applications will exceed available funding by 3-10 times. As a result, both eligibility criteria and evaluation criteria have been developed to fairly distribute these post-disaster funds. These criteria, and modifications needed if necessary, are found in the Administrative Plan (see Appendix I) and Mitigation Strategy for the event. Generally, Ohio criteria include:

1. Disallowance of projects that are 5% special initiative or 7% planning, unless there are fewer applications for normal mitigation projects than funds available, or unless the declaration resulted from a tornado (warning system projects are funded under 5% program),

2. Disallowance of projects that are not mitigation projects for the hazard type that was the basis of the disaster declaration, unless there are fewer applications for normal mitigation projects related to the hazard type than funding available,
3. Disallowance of projects that are not from the declared counties, unless there are fewer applications for normal mitigation projects related to the hazard type than funding available (this is actually an evaluation criteria; however, it is weighted significantly),
4. Disallowance of projects where the community is not rated to be compliant with the NFIP by the ODNR-DOW, Floodplain Management Program.

### **PDM, FMA, RFC, SRL**

The statute, CFR, and specific program guidance identifies eligibility criteria for these programs that are different from the ones described for HMGP. Ohio follows these eligibility criteria.

### **Determining Cost-Effectiveness of Mitigation Measures**

A key criterion for mitigation projects to be eligible for funding is that they must be cost-effective according to OMB Circular A-94, Guidelines and Discount Rates for Benefit-Cost analysis of Federal Programs. If the project benefits are higher than the project costs, then the project is cost-effective.

In order to insure a consistent approach in determining the cost-effectiveness of all mitigation projects, the state uses the FEMA benefit-cost analysis (BCA) software. Since this is also the method used by FEMA to determine the cost-effectiveness of a project, it is only reasonable that the state use the same method. The BCA is an assessment of the mitigation project to determine whether the cost of investing federal/state/local funds in a hazard mitigation project is justified by the prevented or reduced damages from future disasters.

It is understood that a positive benefit cost ratio ( $BCR > 1$ ) does not necessarily guarantee that a hazard mitigation project will be approved – but it does ensure that it meets the cost-effectiveness eligibility requirement. However, by applying project specific information to the benefit cost analysis module, we can get a good initial look at the mitigation potentials associated with that project. The results of this analysis can also help communities evaluate current and future mitigation projects and adjust their overall mitigation strategy accordingly.

For HMGP, the Ohio EMA Mitigation Branch develops data for projects that do not require an engineer to be involved for design and analysis (exceptions – stormwater management). For flood projects, this usually includes the development of four different elevations/frequencies of flood events and obtaining the lowest floor elevation. This data is developed in partnership with the USGS Ohio Water Science Center. For other hazard types, the data would be developed as needed. The Mitigation Branch strives to complete a full data analysis whenever possible – this is a task accomplished by trained Mitigation

Branch staff. The Ohio HMGP project application, also, requires the necessary data needed for BCA analysis, depending on the mitigation option being pursued.

With the other four mitigation programs (PDM, FMA, SRL, RFC) the applicant is generally responsible for completing the BCA. Ohio EMA Mitigation Branch coordinates with FEMA to provide BCA training, conducts training, or provides one-on-one assistance with the applicant's BCA analyst. The Mitigation Branch also provides the FEMA BCA software and encourages the use of it.

### **System to Rank Mitigation Measures According to the State's Eligibility Criteria (Evaluation criteria)**

The state's system to rank mitigation measures is different for the state plan (*see section 3.2*) for ranking mitigation projects submitted for funding under different FEMA mitigation grant programs. The SHMT is responsible for evaluations of all projects submitted under the FEMA mitigation grant programs. Between the 2005 plan and 2008 update, the evaluation worksheets and criteria have changed somewhat (*see Appendix G: Mitigation Project Evaluation Forms*).

For HMGP projects, evaluation and ranking is a two-step process. First, pre-applications are submitted to Ohio EMA, usually within 10 weeks of the disaster declaration. Based on the pre-applications, the SHMT will evaluate the projects using the scoring forms provided by Ohio EMA Mitigation Branch. These forms combine basic criteria found in the CFR, criteria for the nationally competitive mitigation programs, and criteria based on Ohio priorities. After the pre-applications are reviewed and scored, the Floodplain Management Program will conduct an assessment of NFIP compliance, if a recent assessment has not been done. This is done for flood mitigation projects because NFIP compliance is a way to measure a community's day-to-day commitment to flood hazard mitigation.

The second step in HMGP project evaluation is for the SHMT to meet, after the Ohio EMA Mitigation Branch has fully processed the full project applications (conducted environmental review and benefit-cost analysis), to review and discuss all eligible projects. The SHMT again scores the projects using the same criteria that were used in scoring the pre-applications (obviously without needing to make as many assumptions). The scores are then used to determine which projects are funded under the program. In cases where a good, eligible project does not receive funding, Mitigation Branch staff work with the applicant to submit the application for funding under other FEMA mitigation programs, if applicable.

For projects submitted under the other FEMA mitigation programs, which are all pre-disaster programs, the SHMT also evaluates them; however, the evaluation criteria are exactly the same as used in the national competition (*see Appendix G*). The SHMT evaluates these projects based on the full project applications rather than the pre-applications and only reviews them once.

## **PROGRAM MANAGEMENT CAPABILITY**

A comprehensive state mitigation program should have effective program management capability. In 1998, Ohio was selected as one of the three "pilot" states to test the Managing State concept, which was to provide the state with more responsibility and autonomy in managing the FEMA mitigation programs. Selection was based on program management ability, well-documented fiscal controls and a strong, well-developed SHMT. In 2006, FEMA terminated the managing state, not only for Ohio but also for all states in the nation. The stated reason was that the DMA 2000 law established a mechanism for a "delegated state" program, and it was FEMA's opinion that such legislation superseded the managing state concept.

The benefits associated with Managing State status included: quicker project approval, ability to review, rank and select projects, pre-approval of environmental reviews and pre-certification of local hazard mitigation plans. An approved project had to include a completion of a benefit cost analysis and environmental clearances from ODNR Division of Natural Areas and Preserves, US Department of Interior Fish and Wildlife Services, and Ohio Historical Preservation Office. Managing States perform the benefit cost analysis and approve the environmental review for each project prior to submitting the selected applications for FEMA's approval. The certified applications enable FEMA to process the applications quickly.

Environmental Reviews are conducted at the State level in conjunction with all applicable state and federal agencies. The State ensures that the local applicants are aware of the environmental review process and encourages them to provide as much information as possible before the review and contact of applicable agencies begins. The state then reviews each applicant's project for environmental information, prepares letters of review request to each applicable agency, prepares the REC, and forwards it to FEMA for concurrence and signature. A more detailed explanation of the process is located in the State of Ohio Hazard Mitigation Administrative Plan (*see Appendix I*).

A detailed breakdown of the benefit cost capabilities of the State Mitigation staff is located earlier in this section. Benefit cost runs and copies of each type of analysis is kept with each approved project.

The State of Ohio has a good record of providing timely, complete and accurate quarterly progress reports and financial reports. In each grant agreement, regardless of the program, applicants are required to submit quarterly progress reports within 15 days of the end of the quarter. Along with the quarterly monitoring and fiscal visits we conduct with each community, the mitigation branch then compiles a comprehensive narrative and financial quarterly report to the Region V Office within 30 days of the end of the quarter. A more detailed explanation of the quarterly report is located in the State of Ohio Hazard Mitigation Administrative Plan. All pre-disaster grant program projects are required to adhere to the same quarterly reporting process.

Project closeout and financial reconciliation are also described in detail in Administrative Plan and closeouts have been a strategic priority for several years. Mitigation staff conducts explicit reviews of the project or program close-out. The terms of the grant agreements and quarterly reports provided by the project applicant give a detailed summary of the project or program. On-site visits are conducted prior to the projects closeout and fiscal reconciliation.

Ohio EMA actively supports ongoing mitigation planning throughout the state. The Mitigation Branch staff and Ohio EMA field liaisons provide educational visits, technical assistance visits and planning presentations to facilitate the planning process in Ohio. The Mitigation Branch in cooperation with the ODNR-DOW, Floodplain Management Program developed the Ohio Mitigation Planning Guidebook, a FEMA Region V approved planning tool, for local jurisdictions to use in the development of all-natural hazard mitigation plans.

The final aspect of a comprehensive state mitigation program is to develop and present mitigation educational materials and conduct outreach relative to mitigation. Ohio EMA Mitigation Branch staff conducts mitigation planning courses, natural hazard planning workshops, technical assistance visits, program and project development meetings, and participates in public meetings. As changes occur in FEMA and Ohio EMA mitigation programs, the Mitigation Branch develops new presentation and courses to provide educational opportunities to the emergency management community in Ohio. Also, the Mitigation Branch maintains a web area on the Ohio EMA website.

The Mitigation Branch has one staff position devoted to hazard mitigation planning. The SHMO takes an active role in the planning process, training workshops and state agency coordination for all mitigation programs. Ohio EMA uses a field liaison system to ensure that all of Ohio's 88 counties are informed of any new programs being launched statewide or by FEMA. An example of this is the requirement of having approved local mitigation plans. The use of the field liaisons has been instrumental when dealing with communities on a one-on-one basis.

The ODNR-DOW, Floodplain Management Program contributes to an overall state mitigation program. The goals and annual work plans of the FMP promote the mitigation value of the NFIP. Contact with local floodplain managers provides the FMP with opportunities to promote and support mitigation priorities at the community level.

The ODNR-DOW FMP and the Ohio EMA Mitigation Branch have successfully collaborated on many projects. ODNR staff has provided text, review, and comment on State of Ohio mitigation plans since 1999, and has helped establish mitigation priorities and strategies. ODNR has representatives supporting State Hazard Mitigation Team, which reviews HMGP applications and recommends grant award recipients. In addition, the ODNR-DOW FMP is actively engaged in working with Ohio communities to carry out duties related to evaluating flood damaged structures for substantial damage. This effort allows for the accessing

of ICC funds and eases the benefit-cost requirement for severely damaged properties.

Staff from ODNR and Ohio EMA collaborated to create the Ohio Natural Hazard Mitigation Planning Guidebook in 2001. This document was developed to provide mitigation planning guidance to communities participating in the Appalachian Flood Risk Reduction Initiative (AFRRI). The AFRRI was a grant program created in 2002 (completed in 2006) that provided funding and technical assistance to develop DMA 2000 natural hazard mitigation plans in fifteen Appalachian communities. The goal of AFRRI was to ensure sustainable development by increasing local capability to address natural hazards. ODNR staff facilitated over 100 mitigation planning meetings in communities that participated in AFRRI. Some participating communities developed multi-jurisdictional plans and as a result of AFRRI, 41 jurisdictions are covered by natural hazard mitigation plans.

In 2007-2008 ODNR was part of a three-party agreement to assist with the completion of the HAZUS runs used in this plan for the hazard of flood. This was accomplished using the USACE's Planning Assistance to States program.

Region V completed an analysis of the Mitigation Branch's program management capability in 2002. The four categories the state was evaluated on include:

- Meeting all mitigation grant application timeframes and submitting complete, technically feasible and eligible project applications with supporting documentation;
- Preparing benefit-cost analyses and submitting accurate environmental reviews;
- Submitting complete and accurate quarterly progress and financial reports on time; and
- Completing all grant projects within established performance periods, including financial reconciliation.

The State of Ohio was found to be satisfactory in all categories and FEMA provided recommendations for improvement.

## **EFFECTIVE USE OF AVAILABLE MITIGATION FUNDING**

Appendix F shows that the State of Ohio has been very effective, and aggressive in pursuing available mitigation funding. Ohio is the only state in FEMA Region V that has successfully obtained funding in all of FEMA's mitigation programs (pending a review of the SRL project submitted in May 2008). The Mitigation Branch has also developed mechanisms to ensure that funds are effectively used:

- Under HMGP, full project applications are developed based on 200% of the available funding. This ensures that there will be enough complete, eligible project applications to submit for funding before the application

deadline has passed. If an application is developed and eligible, but not funded, Mitigation Branch staff will work to find another program under which it can be funded.

- The Mitigation Branch will keep PDM projects that are eligible but not funded as “shelf” projects to be submitted under another program or subsequent PDM cycles.
- Mitigation Branch and SHMT leverages other (non-FEMA) sources to fund mitigation projects. USACE’s Planning Assistance to States, Floodplain Management Services, and HUD Disaster Supplemental funds have been used for mitigation planning and projects.