

3.4 FEMA MITIGATION PROGRAM IMPLEMENTATION CAPABILITY ASSESSMENT

Effective hazard mitigation programs require strong partnerships between Federal-state-local government, the private sector, and non-profit organizations. States have a responsibility for maintaining competency in the ability to manage and implement a robust state hazard mitigation program. Effective state mitigation programs not only administer FEMA mitigation programs, but assist in the administration or promotion of other entities mitigation programs. For example, many local mitigation plans identify structural flood control as a possible mitigation measure. A competent state mitigation program is aware of possible USACE programs that could be utilized, and could facilitate project initiation.

Overall, Ohio has been a leader in implementing FEMA mitigation programs for many years. FEMA has recognized Ohio as an “Enhanced Plan” state, which is an acknowledgement of the states mitigation planning and grant management capability. Recently, Ohio signed a Program Administration by State agreement with FEMA that allows the state to review and approve local hazard mitigation plans. Section 3.3 describes the myriad of state programs that contribute to hazard vulnerability and loss reduction.

State mitigation planning criteria under the Stafford Act focuses on state competency delivering FEMA mitigation programs. The following sections describe the Ohio EMA Mitigation Branch’s capability in this regard.

PROJECT IMPLEMENTATION CAPABILITY

Title 44 Part 201 Section 5(b) (2) (i) and (ii) of the CFR 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 of different mitigation projects.

ELIGIBILITY CRITERIA FOR HAZARD MITIGATION MEASURES

The CFR and Hazard Mitigation Assistance Guidance identifies eligibility requirements for projects under the HMA programs. Generally, the State of Ohio does not establish eligibility criteria for hazard mitigation measures that exceed those found in the CFR or specific program guidance. The main exception to this is under HMGP, where the state requires that the sub-applicant is participating and in good standing in the National Flood Insurance Program. The HMGP criteria for Ohio are listed below.

1. Applicants can only be state and local governments or certain non-profit entities (Ohio does not have any federally recognized Indian tribes). Conservancy districts and sewer districts are also eligible applicants if they meet local mitigation plan requirements.
2. Projects must be in conformance with the state and local mitigation plans approved under 44 CFR 201.

3. Projects that have a beneficial impact on the disaster area are prioritized over other project statewide. (HMGP only).
4. Projects must be in conformance with Federal environmental regulations, including 44 CFR Part 9, Floodplain Management and Protection of Wetlands and DHS Directive Number: 023-01, Implementation of the National Environmental Policy Act.
5. 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.
6. Projects 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).
7. Projects must be an eligible activity for the specific HMA grant program.
8. Sub-applicants 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 H) and Mitigation Strategy for the event.

PDM AND FMA

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

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 ensure 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. 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.

The Mitigation Branch coordinates with FEMA Region V to provide BCA training every year. This training coincides with the release of the HMA Guidance and start of the non-disaster application cycle. Mitigation Branch staff also periodically conduct BCA training workshops. Information on BCA training and

instructions for downloading the most current version of the BCA tool can be found on the Mitigation Branch website.

SYSTEM TO RANK MITIGATION MEASURES ACCORDING TO THE STATE'S ELIGIBILITY CRITERIA (EVALUATION CRITERIA)

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. The SHMT will meet and evaluate the project pre-applications based on the state and federal mitigation priorities and discussion of the limited data available in the pre-applications using the scoring forms (see example in Appendix G) provided by Ohio EMA Mitigation Branch. After the pre-applications are reviewed, enough sub-applicants are invited to develop full applications to ensure that the projected amount of HMGP funds will be expended.

The SHMT will meet again 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 will score the projects using the project application scoring sheet (see Appendix G). These forms combine basic criteria found in the CFR, criteria for the nationally competitive mitigation programs, and criteria based on Ohio's priorities. The scores are then used to make a recommendation to the Executive Director of Ohio EMA as to which projects to forward to FEMA for funding. 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.

The SHMT also reviews project applications for PDM and FMA. The evaluation criteria are similar to those 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 program, not only for Ohio but 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 Real Estate and Land Management, US Department of Interior Fish and Wildlife Services, and Ohio Historical Preservation Office. Managing States performed the benefit cost analysis and approved the environmental review for each project prior to submitting the selected applications for FEMA's approval. The certified applications enabled 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 (HMGP Only), and forwards it to FEMA for concurrence and signature. A more detailed explanation of the process is located in the current HMGP Administrative Plan.

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. The Mitigation Branch 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 HMGP Administrative Plan. All HMA grant program projects are required to adhere to the same quarterly reporting process.

HMA project closeout and financial reconciliation are also described in detail in Administrative Plan and closeouts have been a Mitigation Branch strategic priority for several years. Mitigation staff conduct 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 has one staff position dedicated to mitigation planning. The Mitigation Branch staff and Ohio EMA Regional Staff provide educational visits, technical assistance visits and planning presentations to facilitate the planning process in Ohio. The Mitigation Branches SHARPP website is very heavily focused on promoting mitigation planning activities.

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 presentations and courses to provide educational opportunities to the emergency management community in Ohio.

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 has successfully obtained funding in all of FEMA's mitigation programs. 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 HMA projects that are eligible but not funded as "shelf" projects to be submitted under another program or subsequent HMA funding cycles.

- The Mitigation Branch and SHMT leverage 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.
- "Zero-Funded Projects" are those actions that are currently prepared for implementation once funding becomes available. These projects have complete information and are prioritized.