

WATERSHED PROJECTS GRANT PROGRAM: LOCAL AND REGIONAL – ROUND 1

FREQUENTLY ASKED QUESTIONS

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1. What is the Watershed Projects Grant Program: Local and Regional – Round 1?

The Round 1 program provides an initial allocation of \$100 million for resilience projects and programs in each of Louisiana's eight <u>provisional watershed regions</u>. These should be implementation-ready, low-risk programs and projects that do not negatively affect flood risk or the natural and beneficial function of the floodplain either upstream or downstream; consider flood risks through a watershed-based approach; and incentivize local government entities to organize as regional coalitions.

2. What types of projects are eligible for Round 1 of the program?

Round 1 projects should feature low-risk, high-benefit activities that are implementation-ready. These projects can involve public infrastructure improvements, elevations, economic development, voluntary buyouts and housing activities related to resettlement, or other public facilities projects that increase flood resilience on a watershed level.

Eligible projects include floodplain restoration and preservation, flood storage, critical facilities and infrastructure flood mitigation, physical non-structural mitigation, stormwater management with gray/green infrastructure and other innovative or replicable flood control activities. See Section 3.3 of Round 1 Policies and Procedures for a description of each project type.

An eligible project may include more than one mitigation activity. Applicants may group together related, localized activities into one comprehensive project. For example, applicants may propose a project that includes voluntary buyouts of multiple contiguous properties in a floodplain adjacent to a stream, as well as restoration of the newly acquired area.



3. What does implementation-ready mean?

The project is not at the conceptual stage and already has undergone some degree of feasibility analysis or design. For example, a project prepared for application to FEMA's Pre-Disaster Mitigation program but not funded through that program is implementation-ready. Similarly, a project already designed but not yet constructed because it still need permits is implementation-ready.

4. What types of projects are ineligible for the Round 1 program?

Ineligible projects include, but are not limited, to:

- Activities undertaken prior to the approval of a grant agreement between HUD and the state
- Ongoing¹ or deferred maintenance
- Assistance to privately owned utilities
- Enlarging a dam or levee beyond the original structure that existed prior to the disaster event²
- Projects to provide emergency response services³.

Community Development Block Grant Mitigation funds may be used for mitigation activities to enhance the resilience of facilities that provide emergency response services, provided that such assistance is not spent on buildings used for the general conduct of government as defined in 24 CFR 570.3. See Round 1 Policies and Procedures for additional information on ineligible projects.

The Louisiana Office of Community Development must approve the pre-application of any project involving the proposed construction or demolition of a dam, levee or other flood control structure.

5. Are projects costing more than \$5 million excluded from the regional selection process?

Not necessarily. It is possible that a project costing more than \$5 million can be split into separate phases that stand alone as separate projects, or two regions could combine funding for a higher-cost project benefitting both regions.

¹ See pages 66 – 67 of <u>FR-6109-N-02</u>, Section V.A.9 for CDBG-MIT operation and maintenance waiver for program income.

² See pages 113 – 114 of FR-6109-N-02, Section V.C.2.

³ See page 115 of FR-6109-N-02, Section V.C.5 for Emergency Response Services definition



6. What types of entities are eligible to apply for this program?

Round 1 is open to any local or regional public entity in Louisiana, as long as it has the authority and jurisdiction to implement, operate and maintain the project. Private entities are not eligible. For the purposes of Round 1, a public entity means a state agency, board or commission, political subdivision or a federally recognized Indian tribe. For a tribe to apply for or receive a grant, it must agree to a waiver of its sovereign immunity and submit to the jurisdiction of the 19th Judicial District Court in East Baton Rouge Parish, with regard to any legal action associated with the application or grant. Additionally, in the event that the state seeks to enforce lien rights on real estate, if any, the tribe must submit to the jurisdiction of the judicial district court of the parish in which such property is located.

7. What geographic areas are eligible for this program?

Grantees must use CDBG-MIT funds for mitigation activities that benefit areas in the most impacted and distressed parishes, all of which received federal disaster declarations because of the 2016 storms. HUD identified 10 MID parishes, and Louisiana identified an additional 46 MID parishes, which HUD approved.

Applicants may submit projects for eligible mitigation activities located outside of the following parishes, but must demonstrate how spending CDBG-MIT funds will measurably benefit or mitigate risks within MID areas (e.g., upstream water retention projects that reduce downstream flooding in the MID areas).

The 56 MID parishes are: Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, De Soto, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson Davis, LaSalle, Lafayette, Lafourche, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Ouachita, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Tammany, Tangipahoa, Union, Vernon, Vermilion, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana and Winn.

8. Will Round 1 consider projects already submitted to GOHSEP, OCD and FEMA programs?

Applicants may submit projects for Round 1 even if they have submitted the same projects for FEMA-funded programs, including those with open applications. The state will select projects without duplicating funding sources. Round 1 DOES NOT cover the nonfederal match funding of an existing project.



QUESTIONS ABOUT THE PRE-APPLICATION AND APPLICATION

- 9. Where do I find instructions for submitting the pre-application?
 Instructions are available on the <u>LWI website</u>, where you can complete your pre-application, access additional program documents or resources and request technical assistance.
- 10. When is the deadline for pre-application submissions?

The pre-application submission deadline is 3 p.m. Jan. 17.

11. Is there a limit to how many pre-applications an eligible entity can submit?

No, but the state strongly encourages applicants to only submit pre-applications for projects that most closely align with the published project scoring criteria.

12. If conditions change prior to the deadline, can an eligible entity substitute a different application?

Not unless the pre-application states that conditions are subject to change prior to the deadline.

13. Can two or more entities submit a combined application for a single project that benefits all?

Yes. However, one eligible entity must be designated as the lead, who will be the managing authority on behalf of others involved in the application.

14. If two or more entities submit a combined project application, are the cost limits higher?

No. The project cost limit is \$10 million and will not increase.

15. Will the state evaluate pre-applications for eligibility, notify applicants and move projects to the application phase before the Jan. 17 deadline?

No. After the pre-application deadline, the state will evaluate projects for eligibility and notify applicants if their projects are eligible for full application.



16. Does an entity's CDBG grant program have to exist to receive these CDBG-MIT funds?

No. However, the state will score applications and select projects with consideration given to eligible entities with documented capability to manage such a program.

17. Who will be responsible for scoring, prioritizing and selecting the projects for these funds?

OCD will review pre-applications for eligibility. OCD will review all full applications with input from a panel of representatives from the agencies on the Council on Watershed Management (OCD, CPRA, DOTD, LDWF and GOHSEP).

18. Who will select regional projects?

Regional steering committees in each watershed region can select up to \$5 million in projects to recommend for funding. These projects will come from submitted applications that meet a minimum score. This regional selection process is contingent upon each region's development of a functional steering committee under the LWI.

19. Can an applicant submit a pre-application after the Jan. 17 deadline?

No, except under special circumstances. If applicants in the majority of watershed regions identify special circumstances requiring a deadline extension, the state may issue an extension to all applicants, at which point the state will communicate this extension via email and as an amendment to the Round 1 program notice of funding availability.

20. Will costs associated with compliance of CDBG-MIT requirements, such as hiring a consultant or firm to conduct grant management, be eligible for reimbursement through this program?

Yes, grant management costs are eligible and can be included in the project cost estimate.

21. Are the following entities eligible applicants for this program?

<u>Public universities:</u> No. Public universities are not eligible for the Round 1 program. However, a parish or city government can submit a project application in coordination with a public university.

Levee boards established in R.S. 38:291: Yes.



22. How were the HUD-MIDs and LA-MIDs determined? Should public entities in non-MID areas apply for Round 1 funding?

The U.S. Department of Housing and Urban Development identified the 10 HUD-MIDs — most impacted and distressed parishes — in <u>FR-6109-N-02</u>. The state identified an additional 46 LA-MIDs, based on data from damage assessments and federal disaster declarations following the 2016 floods. The LA-MIDs are included in the state's CDBG-MIT Action Plan, which HUD has approved.

Entities in non-MID areas can apply for Round 1 funding. According to the <u>notice of funding availability</u>, applicants must demonstrate how their proposed projects, including those located outside of a HUD- or LA-MID, will measurably mitigate flood risk within a HUD- or LA-MID. It is possible for a project located in a non-MID area to provide mitigation benefits to adjacent MID areas (e.g., upstream water retention projects to reduce downstream flooding in the MID areas).

23. Can an applicant submit a project to be developed on private land?

Potentially. A project can be developed on private property if it demonstrates a measurable public mitigation benefit, depending on the project type and subject to legal clearance and OCD approval.

CDBG-MIT COMPLIANCE

24. Is there a specific date by when applicants must begin complying with HUD's CDBG-MIT requirements?

Yes. These requirements take effect the date an applicant submits the pre-application.

25. Are there regulations regarding procurement for these funds?

Yes. Applicants must follow federal procurement rules—or state procurement rules, if more stringent—when purchasing services, supplies, materials or equipment. Applicants can refer to 2 CFR Part 200 for full details of requirements.

For more information, see Section 6 – Procurement Methods and Contractual Requirements in the OCD Grantee Administrative Manual.

26. Are these funds subject to an environmental review process?

Yes. All activities using CDBG-MIT funds are subject to the provisions of the <u>National Environmental Policy Act of 1969</u>, as well as the HUD environmental review regulations in <u>24 CFR Part 58</u>. Applicants should not take any binding action on a project (including entering into a contract that commits the applicant) before completing the HUD environmental review process. This includes, but is not limited to, contracting for property rights or acquisition or construction contracts. Work may not begin on a project before the



environmental review process is completed. These requirements apply even to contracts or work funded with nonfederal dollars. If applicants breach these requirements, the entire project will become ineligible, even for costs incurred after the environmental review.

For more information, see Section 9 – Environmental Review in the OCD Grantee Administrative Manual.

27. Is each project required to meet an eligible national objective?

Yes. Each project that uses CDBG-MIT funds must meet a national objective in accordance with the general CDBG framework. According to CDBG regulations, a project does not meet a national objective until it is complete. The state has defined eligible national objectives as meeting either low- and moderate-income objectives or Urgent Need Mitigation objectives. The alternative requirements to meeting these two national objectives, as prescribed by HUD, are in the Round 1 Policies and Procedures.

Additionally, HUD established an alternative requirement to meeting a national objective that requires all CDBG-MIT activities to:

- Demonstrate an ability to operate a project for its useful life, with a plan to fund long-term operations
- 2. Be consistent with other mitigation activities in MID areas

Any activity that does not meet a national objective is not compliant with CDBG requirements and will not be reimbursed. More details are in Round 1 Policies and Procedures.

28. Is each project required to meet a CDBG-eligible activity?

Yes. While the state's <u>Action Plan</u> defines all activities in HCDA 105(a) 1-25 as eligible, Round 1 projects are intended to be low-risk, high-benefit activities that are implementation-ready. These projects can include public infrastructure improvements, elevations, economic development, voluntary buyouts or housing activities related to resettlement, or other public facilities projects that increase flood resilience on a watershed level.

29. What are Section 3 compliance requirements and when do they apply?

<u>Section 3 requirements</u> typically apply to HUD funds used for housing construction, rehabilitation or other public construction. Section 3 requirements apply to recipients of housing and community development assistance exceeding \$200,000 combined from all sources and in any one year. If Section 3 applies, contractors or subcontractors with contracts that exceed \$100,000 must also comply. This requirement applies to ALL types of contractors and subcontractor and is NOT limited to construction-related contracts.



For more information, see Section 8 – Civil Rights in the OCD Grantee Administrative Manual.

30. What are the compliance requirements regarding civil rights?

Title VI of the Civil Rights Act of 1964 states that no person shall be excluded from participation, denied program benefits or subjected to discrimination based on race, color or national origin.

Title VIII of the Civil Rights Act of 1968, as amended and referred to as the Fair Housing Act, prohibits housing discrimination based on race, color, religion, sex or national origin. Each grantee must conduct at least one Fair Housing activity each year of the Cooperative Endeavor Agreement period and maintain documentation of the activity that was or will be conducted.

Section 504 of the Rehabilitation Act of 1973, as amended, requires that no individual with a disability is denied program benefits, excluded from participation (including employment) or subjected to discrimination based solely on his or her disability.

For more information, see Section 8 – Civil Rights in the OCD Grantee Administrative Manual.

31. Do labor laws apply?

Yes. Applicants implementing projects with construction contracts of more than \$2,000 must comply with the following laws and regulations:

- 1. Federal Fair Labor Standards Act
- 2. Davis-Bacon and Related Acts
- 3. Copeland Anti-Kickback Act
- 4. Contract Work Hours and Safety Standards Acts
- 5. Louisiana labor standards and local laws and regulations

For more information, see Section 7 – Labor Relations in the OCD Grantee Administrative Manual.

32. What are the procurement requirements?

The procurement process must be in accordance with the federal requirements of 2 CFR 200.318 - 322 and Louisiana's public bid law (R.S. 38:2211-2296).

Grantees must write and adopt a procurement policy prior to securing contract services. If a procurement policy is already in place, the grantee must determine whether it includes all federal requirements contained in 2 CFR 200.318. If the policy does not contain all federal requirements, and the grantee intends to use CDBG funds for such services, the policy must be amended accordingly.



A pre-bid cost or price analysis must be performed in connection with every procurement action, including contract modifications.

A request for proposals or request for qualifications must be competitive and not contain limiting criteria, such as "20 years of experience" or "must have done previous work within the parish."

RFQs are used to procure the professional (design) services of an engineering firm or architectural firm when using the competitive negotiation method. Qualification statements cannot be used to procure any other service. An RFP, where price is used as a selection factor, must be used to procure project management or construction management services.

For more information, see Section 6 – Procurement Methods and Contractual Requirements in the OCD Grantee Administrative Manual.

33. Is a duplication of benefits policy required?

Yes. The Robert T. Stafford Disaster Relief and Emergency Assistance Act requires that recipients of federal disaster recovery funding make certain that no "person, business concern or other entity" will receive duplicative assistance⁴.

CDBG-MIT funds supplement, they do not replace, other public, private and nonprofit sector resources already provided for the same need or loss. The funds provide assistance to a person or entity only to the extent that the person or entity has a disaster recovery need not fully met by funds that have already been, or will be, paid from another source.

The grantee or sub-recipient must have a duplication of benefits policy in place to ensure they are compliant. OCD can provide a template that the applicant can sign and use as a policy.

For more information, see Section 2 – Administration in the OCD Grantee Administrative Manual.

34. Are there additional flood insurance requirements?

Yes. Applicants for CDBG-MIT funding must be in good standing with the National Flood Insurance Program. Project applications should include consultation with local and regional floodplain administrators and managers.

⁴ Stafford Act, Title III, Sec. 312, (a).



The Stafford Act also contains eligibility requirements for recipients that have received prior disaster funding, based on whether they comply with requirements associated with receiving those funds. Where applicable, recipients must comply with these restrictions or individual funding will be denied.

Through the Federal Register Notice for these CDBG-MIT funds, HUD instituted an Alternative Requirement to 42 U.S.C. 5305(a)(4) for CDBG-MIT funds. It prohibits providing CDBG-MIT assistance for the rehabilitation or reconstruction of a house, if (a) the combined household income is greater than 120 percent AMI or the national median, (b) the property was located in a floodplain at the time of the disaster and (c) the property owner did not maintain flood insurance on the damaged property, even when the property owner was not required to have such insurance.

Section 582 also requires an applicant that receives CDBG-MIT funds to inform property owners receiving assistance, thereby triggering the flood insurance purchase requirement, that they have a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance in writing. They must also maintain written notification in documents evidencing the transfer of the property. The transferring owner may be held liable if he or she fails to do so.

35. Are there elevation standards specific to this program?

Yes. Elevation standards apply to new construction, repair of substantial damage or substantial improvement. The following paragraphs outline elevation standards required to mitigate risks identified in a grantee's Mitigation Needs Assessment, when those structures are located in an area delineated as a flood hazard area or equivalent in FEMA's data source, outlined in 24 CFR 55.2(b)(1)⁵.

Structures designed principally for residential use as defined in 44 CFR 59.1 and located in the 100-year (or 1 percent annual chance) floodplain that receive assistance for new construction, repair of substantial damage or substantial improvement must be elevated with the lowest floor, including the basement, at least two feet above the base flood elevation. Alternatively, grantees may adopt the design flood-elevation standards of ASCE-24, if this results in an elevation higher than two feet above base flood elevation.

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⁵ See Pages 98 – 99 of FR-6109-N-02, Section V.B.1.d.



Mixed-use structures with no dwelling units and no residents below two feet above base flood elevation must be elevated or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above base flood elevation.

Nonresidential structures must be elevated to the standards referenced in Pages 112 – 113 in <u>FR-6109-N-02</u> or floodproofed in accordance with FEMA's floodproofing standards referenced in 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above the 100-year (or 1 percent annual chance) floodplain. This may include using structural or nonstructural methods to reduce or prevent damage or designing it to adapt to, withstand and rapidly recover from a flood event.

All critical actions, as defined at 24 CFR 55.2(b)(3), within the 500-year (0.2 percent annual chance) floodplain must be elevated or floodproofed to the higher of the 500-year floodplain elevation or three feet above the 100-year floodplain elevation, in accordance with FEMA standards. If the 500-year floodplain is unavailable, and the critical action is in the 100-year floodplain, then the structure must be elevated or floodproofed at least three feet above the 100-year floodplain elevation. Critical actions are defined as an "activity for which even a slight chance of flooding would be too great, because such flooding might result in loss of life, injury to persons or damage to property." For example, critical actions include hospitals, nursing homes, police stations, fire stations and principal utility lines.

Nonstructural infrastructure must be flood resilient. The vertical flood elevation establishes the level to which a facility must be resilient. This may include using structural or nonstructural methods to reduce or prevent damage or designing it to withstand and rapidly recover from a flood event.⁶

Projects funded by CDBG-MIT dollars that involve elevation, including elevation programs unrelated to construction, repair of substantial damage or substantial improvement, should not use fill as an elevation method or to elevate slab foundations. OCD may consider approval exceptions for individual structures if other elevation methods are not possible, the impact of the method on the environment can be mitigated and the cost of elevating does not outweigh the benefit.

The elevation of structures must comply with all applicable federal accessibility standards outlined in Section V.A.31. Applicable state, local and tribal codes and standards for floodplain management that exceed these requirements—including elevation, setbacks and cumulative substantial damage requirements—must be followed.

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⁶ See Pages 112 – 113, <u>FR-6109-N-02</u>.



36. Are there additional requirements or processes regarding acquisition?

Possibly. In executing projects, grantees may need to acquire property to complete specific activities. Prior to acquiring property or attempting to undertake a relocation project, grantees must determine whether the requirements of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended in 1986, apply. The grantee must follow the procedures of the Uniform Relocation and Real Property Acquisition Act prior to the acquisition. Any property a grantee acquires, even when financed with nonfederal funds (i.e., general funds), can be subject to URA if the project results in a federally assisted project. As acquisitions and relocations can be very time consuming, applicants should develop their program schedules accordingly.

For more information, see Section 10 – Acquisition and Relocation of the OCD Grantee Administrative Manual.

37. Can an applicant start the environmental review process before submitting the full application?

An applicant can begin the environmental review process prior to submitting the full application. However, the applicant must conduct the environmental review in accordance with OCD and HUD guidelines.

38. What is the definition of low-to-moderate-income?

A household is considered low-to-moderate-income, or LMI, if the household income, including income derived from assets, is at or below 80 percent of an area's median income. This is based on the area median income limits that HUD sets annually for each parish or metropolitan statistical area. To meet the national objective of benefit to LMI persons on an area basis, an activity must address the needs of LMI persons residing in an area where at least 51 percent of the residents are LMI. For more information, click here.

PROJECT COST

39. Is a local funding match a requirement of the Round 1 program?

No. Eligible entities are not required to contribute any type of funding match for the Round 1 program. CDBG-MIT funds can be used to fund a project in its entirety. However, the <u>scoring criteria</u> addresses how projects may benefit from leveraging other funding sources.



40. If a total project cost is \$17 million, but the applicant only needs \$4 million, would it be eligible for Round 1 funding?

Yes. This program does not have a maximum project cost, but the maximum award amount is \$10 million per project, with limited exceptions. See the <u>NOFA</u> for more details. The <u>scoring criteria</u> addresses how projects may benefit from leveraging other funding sources.

REIMBURSEMENT AND CONSTRUCTION PROCEDURES

41. Does this program only provide reimbursement funding? What if the public entity has insufficient cash flow to fund project costs?

Yes. The program funding is reimbursement-only. OCD will not fund work that is not performed yet. The entity can request funding from OCD only after work is completed and invoiced. At that point, the entity can either pay the invoices with their own funds and then submit a funding request to OCD for reimbursement, or it can submit the funding request to OCD for payment, allow several weeks for OCD's funding processes and then pay the vendor once money is received. OCD leaves that option open to the entity based on management, financial capacity and vendor considerations.

42. Are administrative, planning, architectural and engineering costs associated with the project eligible for reimbursement?

These costs are eligible for reimbursement but are subject to OCD review, including review of environmental clearance and procurement procedures, as well as reasonable cost considerations. Such costs are also subject to state and federal procurement rules. For more information, see Section 6 – Procurement Methods and Contractual Requirements in the OCD Grantee Administrative Manual.

43. Are pre-award costs eligible for reimbursement?

Certain pre-award costs are reimbursable, but these costs must be incurred after the approval of a grant agreement between HUD and the state. Costs incurred prior to the approval of a grant agreement are not eligible for reimbursement.

44. Once a project is awarded Round 1 funding, what are the next steps and when can construction begin?

The post-award cooperative endeavor agreement process will take about two to three months. OCD staff will assist applicants in finalizing a construction schedule and appropriate milestones.



45. Does a project need full permits or a wetlands permit prior to applying for Round 1 funding?

No. This is not an eligibility requirement for the pre-application. Necessary permits may be obtained after projects are awarded funding.

SCORING, CRITERIA AND PROJECT SELECTION

46. What if a watershed region is unable to make a recommendation on regional project selection by the deadline?

If a watershed region is unable to recommend projects for selection by the deadline, the state can offer an extension based on demonstrated progress and a clear timeline. If requested, LWI staff can assist regional steering committees with facilitating and participating in the project selection process.

47. What kind of documentation is needed in the pre-application to demonstrate upstream and downstream impacts?

Applicants must use the best available data to demonstrate their projects will have no adverse impacts. If they are unable to provide substantive evidence of no negative impacts, applicants should consider submitting an application for the project in Round 2 or 3 of this program, which will use statewide watershed models, studies and analyses to better understand potential project impacts.

48. Are benefit-cost analyses required?

Any supporting documentation justifying project benefits, including a benefit-cost analysis conducted using FEMA software or other methods, would be appropriate but is not required in an application for this program. The Round 1 scoring criteria includes information on calculating project effectiveness.

49. Will projects in HUD-MID parishes score higher than projects in LA-MID parishes?

No. For Round 1, HUD- and LA-MID parishes will not be scored differently. However, projects that benefit multiple HUD- or LA-MIDs will score extra points, per Round 1 scoring criteria.

PROJECT TYPES

50. Are the following activities considered eligible for Round 1 funding?

<u>Channel restoration or stream realignment:</u> Potentially. The applicant must prove that such project would result in no adverse impact to surrounding areas.



<u>Repair of an existing levee:</u> Any project involving repair of an existing levee must be evaluated on a case-by-case basis for eligibility. Maintenance projects are not eligible. <u>FR-6109-N-02</u> includes specific restrictions on projects involving levees, including a prohibition on expanding the footprint of a dam or levee using CDBG-MIT funding.

<u>Construction of a U.S. Army Corps of Engineers-authorized project:</u> It depends. <u>FR-6109-N-02</u> includes a \$250,000 cap on a funding match for USACE projects. The Appropriations Act prohibits the use of CDBG-MIT funds for any activity funded by FEMA or USACE.

<u>Dredging, snagging or desilting a waterway:</u> It depends. If the project is based on a lack of maintenance or causes adverse impact to surrounding areas, it would be ineligible.

<u>Canal widening:</u> Potentially. If the project will result in a quantifiable reduction in flood risk, the project will be eligible. The applicant must provide evidence of no adverse impacts.

<u>Bridge reconstruction:</u> Potentially. If the project will result in a quantifiable reduction in flood risk, the project will be eligible.

<u>Creation of a local floodplain management office:</u> Project applications must provide evidence of a quantifiable reduction in flood risk. This type of project may be more appropriately funded through another program that focuses on planning activities.

<u>Planning project:</u> Project applications must provide evidence of a quantifiable reduction in flood risk. This type of project may be more appropriately funded through another program that focuses on planning activities.

<u>Data collection, modeling or rain gauges:</u> Project applications must provide evidence of a quantifiable reduction in flood risk. This type of program may be more appropriately funded through another program that focuses on planning, modeling or data collection activities.

51. Can a potential buyout project become implementation-ready after submission of the pre-application but prior to submission of the full application?

Yes. The applicant can use the time between the submission of the pre-application and the full application to obtain necessary approvals or studies so that a project is implementation-ready upon review of the full application. However, all activities funded by CDBG-MIT are subject to the provisions of the <u>Uniform Relocation Assistance and Real Property Acquisition Act</u> and the <u>National Environmental Policy Act of 1969</u>, as well as <u>HUD environmental review regulations</u>. Applicants cannot make any choice-limiting actions prior to the completion of the HUD environmental review process. No contracts can be entered committing the applicant. This includes but is not limited to contracting for property rights, acquisition or construction. Work may not begin on a project before the environmental review



- process is completed. These requirements apply even if a contract or work is funded with nonfederal dollars. Breach of this requirement results in the entire project being ineligible, even for costs incurred after the environmental review. For more information, see the OCD Grantee Administrative Manual.
- 52. Can projects not selected for Round 1 funding still be eligible for funding in Round 2 or 3 of the Local and Regional Projects Program?
 Yes. Unselected projects in Round 1 can be resubmitted for Round 2 or 3.
- CDBG-MIT funding can be used in a floodway only if the action is functionally dependent on the proximity to the water. CDBG-MIT funding cannot be used for elevations, repairs or reconstruction of critical facilities or housing located in a floodway. However, the funding can be used for acquisitions or buyouts within a floodway if the buyout program is consistent with other CDBG-MIT and Round 1 program guidelines.