Association of State Floodplain Managers, Inc.

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Resolution Regarding the FEMA Building Resilient Communities & Infrastructure (BRIC) Grant Program and Recommended Changes

WHEREAS, the Board of Directors of the Association of State Floodplain Managers, a national non-profit scientific and educational organization of over 7,000 members with a mission to reduce flood losses in the nation and recognize the natural functions of floodplains has heard numerous concerns from members about the implementation of the 2020 Building Resilience and Infrastructure (BRIC) program; and

WHEREAS, FEMA's Pre-Disaster Mitigation program was established in 1997 with the purpose to implement hazard reduction measures prior to a disaster event and made eligible a wide range of mitigation activities including a focus on mitigation planning, as well as projects that included but are not limited to retrofitting buildings against hurricane winds or flooding, acquiring and relocating buildings out of a floodplain, elevating structures in a floodplain, stormwater management projects, and construction of safe rooms. Funding from PDM ranged from $25 million to $300 million annually and in 2008 nearly 44% of PDM funds were Congressionally directed (earmarked); and

WHEREAS, as a result of hazard mitigation planning requirements since the enactment of the Disaster Mitigation Act of 2000, states, local communities, tribes and territories have a much greater understanding of where their vulnerable populations exist, as well as the extensive hazard mitigation needs within those populations as well as the community as a whole than FEMA does; and

WHEREAS, the Disaster Recovery Reform Act of 2018 (DRRA) reformed the Stafford Act's Pre-Disaster Mitigation Program (PDM -Sec 203) to increase the emphasis on pre-disaster mitigation, authorized a new six percent set-aside source of funding for pre-disaster mitigation, allowed funds to be used to establish and carry out enforcement activities and implement the latest codes and standards, and expanded the criteria to be considered in awarding mitigation funds; it did not fundamentally change the eligibility of an array of flood mitigation project types, including traditional property-specific mitigation actions; and,

WHEREAS, FEMA was granted significant discretion to shape the new program which was named the Building Resilient Infrastructure and Communities (BRIC) and this led to the creation of a program with a significantly different focus and priorities—including a focus on community infrastructure and lifelines as well as FEMA pre-disaster mitigation priorities, as compared to the legacy PDM program;

WHEREAS, the 2020 BRIC Notice of Funding Opportunity revealed several major concerns including:

- A proportionally significant reduction in the state set aside amount when considering the total funding available,
- Significant limitations on the eligibility of mitigation planning funding (including a complete disallowance of mitigation planning projects from the competitive grants),

- Similar limitations on the eligibility of capacity building projects as they were limited to state set aside projects only,
- Heavy weighting of the adoption of the most recent building codes when other standards — like strong state floodplain management programs, or rigorous state land use standards that limited flood prone development were not considered at all,
- Heavy weighting of infrastructure and lifeline projects which greatly reduced the ability of traditional "incremental" flood mitigation projects under PDM to compete,
- FEMAs definition of "small and impoverished communities" does not include the disadvantaged communities that need FEMA mitigation grant assistance; and

WHEREAS, the complexity of the BRIC application process is a main reason why disadvantaged communities do not apply for the program; and

WHEREAS, an ASFPM evaluation of the 2020 BRIC awards revealed several major concerns including:

- A significant bias toward large scale infrastructure projects rather than more traditional "incremental" hazard mitigation projects,
- An award bias toward coastal communities vs. inland communities ($474.6 million awarded for projects in coastal communities vs. only $27.3 million for non-coastal projects[1]) with only one competitive project selected for all of the non-coastal states (94% of BRIC funds will go to nine coastal states. Four coastal states (CA, WA, NY, & NJ) and DC will get 61% of the total BRIC funding),
- More dollars and projects went to wealthier, greater resourced communities rather than to less wealthy communities with fewer resources ($464.3 million for all others vs. $35.7 million for small and impoverished communities[2]); and more than half of BRIC funding will go to these three wealthy states: CA, NJ and WA,
- No competitive applications were selected for further review in FEMA Regions 5, 6, 7 or 8 (the entire central portion of the country including Texas), of the 567 competitive applications submitted, only 22 were selected for further review, demonstrating a 3.8% success rate[3] for competitive applicants outside of the state allocations,
- A review of the grant projects that have been identified for further review demonstrates that FEMA did not prioritize vulnerable communities even though FEMA expressed a desire to do so; and

WHEREAS, states and communities do not see their grant application ranking or receive feedback on how applications could be improved for future rounds of funding.

NOW THEREFORE BE IT RESOLVED that the ASFPM Board of Directors recommend:

1. **FEMA should allow states, communities, tribes and territories decide which projects are awarded.** States and communities have decades of experience developing and maintaining mitigation plans, understand flood risk, and know precisely where limited grant dollars can be put to the best use. This can be accomplished by significantly increasing the amount of set-aside funds (increase to at least 49% of available funds) for state, territorial and tribal applicants; or turning BRIC entirely into a block grant

[1] Headwaters Economics Report by Kris Smith, Ph.D. dated July 1, 2021: https://headwaterseconomics.org/natural-hazards/bric-funding/
[2] Ibid.
[3] Ibid.

program. Further, Congressionally directed funding should come from competitive funding, not state set-aside funds, and such projects should meet all program requirements, including benefit-cost analysis (BCA).

2. **FEMA should minimize adding its priorities to BRIC funding.** Over the years, FEMA's insertion of priorities into pre-disaster mitigation grant programs has had unintended consequences, including disallowing many traditional forms of hazard mitigation that have proven to be cost-effective in many communities. In the DRRA, Congress did not establish new priorities for funding, and ASFPM believes that all options in the mitigation toolbox should be used and is opposed to using priorities to limit or give preference to certain types of mitigation projects.

3. **BRIC competitive grants should include eligibility for mitigation planning and capacity building projects.** Limiting mitigation planning and capacity building to highly competitive set-aside funding has negatively impacted mitigation planning efforts, especially in large states with many jurisdictions, and is contrary to the stated priority of capacity building projects. Neither should be exclusive to the set-aside; rather, they should also be allowed to be submitted as part of the competitive grant applications.

4. **FEMA should adjust the BRIC grant scoring criteria involving building codes to ensure consideration of non-building code standards that have equal or higher success in reducing overall hazard risk.** For example, several states have adopted more stringent floodplain management regulations and mapping standards that have a far greater effect on flood risk reduction than adopting the most recent building codes. Further, in consideration of building codes, FEMA should emphasize the enforcement of such codes, and is in a unique position to emphasize the enforcement of floodplain management regulations through decades of NFIP enforcement data that FEMA and states have collected

5. **The BRIC grant selection process should be made more transparent.** The application scores and ranking process FEMA used to decide which projects will receive funding were not made public by FEMA. If communities do not know where they missed points in the scoring process, not only do they get discouraged, but they cannot take actions to correct those deficiencies and ensure that future applications are more competitive.

6. **FEMA should continue to simplify the grant program processes so that more applications can be submitted by less resourced communities, and to streamline program delivery.** FEMA's stated intent is to reduce the complexity of their programs and delivery. But their actions in nearly every area are the opposite. The BRIC program specifically focuses on large, complex infrastructure projects that many underserved and disadvantaged communities do not have the capacity to develop, apply for, manage, and maintain into the future. FEMA's new grant management system, FEMA GO, is so complex that it has not functioned for months and is preventing FEMA from granting the BRIC and FMA awards from the FY2020 application cycle, and is also not allowing communities wishing to apply for the FY2021 BRIC and FMA programs to register in the system so they can complete the application. This is creating a tremendous burden for states attempting to assist communities in the application process.

   In addition, the administration of grant management costs to state partners, which used to be a relatively simple calculation, now requires a seven-page memo describing multiple sub-applications and reporting requirements. FEMA should loosen restrictions and delegate more authority to enhanced states that have demonstrated capacity to manage the programs effectively. This would allow them to focus on states that need more capacity building and streamline program delivery for all.

As part of streamlining the application and administrative processes, FEMA should clearly define "disadvantaged communities" so that all communities, especially those with limited resources who are disproportionately affected by flooding and other disasters, can effectively participate.

7. **FEMA should use BRIC funding to create a program, similar to FEMA's Community Assistance Program – State Services Support Element (CAP-SSSE).** The unevenness of management costs creates a challenge for state programs to hire and retain staff. A new program, modeled after FEMA's Floodplain Management Division's CAP-SSSE, can help solve this problem by providing a consistent, cost-shared funding source that builds and maintains state capability to more effectively and efficiently manage FEMA hazard mitigation programs.

APPROVED: November 10, 2021

SIGNED:

Carey Johnson, CFM
Chair ASFPM Board of Directors