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FACT SHEET

Hazard Mitigation Grant Program: Minimizing Future Damage

The Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) provides grants to local communities thru the state, *after* a major disaster declaration. For North Carolinians recovering from Hurricane Matthew, the program's goal is to minimize any future property damage by helping qualified applicants implement one of three strategies: 1) acquisition (also known as buyout), 2) elevation, or 3) mitigation reconstruction, demolish and rebuild on site.

The mitigation program is voluntary and a cooperative effort among the homeowners, community leaders, state and federal emergency management. It is ***designed to help*** applicants have safe, secure housing following a disaster; it is ***not intended to enhance*** or expand the homeowners' property.

Local governments administer the hazard mitigation program: usually through town planning departments and/or county Emergency Management agencies that collect and vet applications from interested homeowners. This is how the process works.

Mitigation Program Process

1. Following a federally declared disaster NCEM announces they are accepting letters of interest from local governments. These letters of interest include information from property owners who had storm damage and may want to consider a property buyout, elevation or mitigation reconstruction. (*Note: FEMA does not buy houses directly from the property owners. Instead, the federal agency provides most of the funding (75 percent) with the state covering the remaining 25 percent match.*)
2. Homeowners whose properties have suffered heavy damage complete an application for the HMGP and submit it to their local planning department or emergency management agency as requested. Property owners do not submit applications directly to the state authority. The state is involved in outreach and intake in the community.

3. Local governments collect the applications from the homeowners, then review and vet them against any state priorities or special restrictions. Each county – or local jurisdiction – will then submit an application package to the state that outlines how many property owners are interested in which types of mitigation measures.
4. The state submits applications that meet eligibility criteria to FEMA for review. FEMA evaluates the applications to ensure each proposed project follows the rules, protects the environment and would be a cost-effective use of funds.
5. If FEMA approves the application, the agency notifies the state, via an award letter.
6. The community will then begin to acquire, elevate or reconstruct the approved properties. After a home is purchased, it is demolished and the land is cleared. The land must remain forever as open space.

The hazard mitigation process is not quick. Local officials must determine how to utilize HMGP options. Interested applicants must meet several criteria in order to participate in the program. And for those homeowners who choose the acquisition, or buyout, option there are several requirements. The applications must be vetted at the local, state and federal levels. For acquisitions: the process can take up to two years from the day of the disaster to the property settlement.

Criteria Considered for Participation:

- Puts human life and safety at extreme risk. For example, the property is located within extreme flood, wave action, and/or wind action risk zones.
- Suffers repetitive damage during storms.
- Poses a threat to neighboring areas in the event of a storm (e.g., because of the movement of dislodged debris).
- Would serve other environmental protection goals (e.g., natural resource preservation) or community goals (e.g., open space, parks).
- Would serve other hazard mitigation or floodplain management goals (e.g., increasing floodplain storage capacity).
- Is next to open space or properties that will be acquired.
- Is located in an area of the community that has been identified as high risk or a priority for mitigation.

Acquisition Requirements:

- All sales must involve willing sellers.
- Land and buildings must be appraised at their pre-flood fair market value or current market value. (Uniform Relocation Act requires that property owners receive just compensation and relocation assistance.)

- Costs are shared: FEMA pays 75 percent, the state (via North Carolina Emergency Management) traditionally covers the remaining 25 percent.
- Acquired property must revert to natural floodplain or be maintained as open space.
- Future disaster payments are prohibited at the purchased site.
- Displaced tenants can receive moving and replacement rental expenses, or use those funds to buy a home.

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