5.4.13 Mitigation Reallocation Program (MRP)

The Mitigation Reallocation Program (MRP) is designed to support the reallocation of deobligated and unutilized CDBG-MIT funds for much needed further disaster mitigation. Eligible entities may submit up to three eligible projects through the call for projects. These submissions will be scored based on the selection criteria below and undergo an eligibility analysis before the eligible entities are invited to submit a full application.

As funds continue to be identified through the deobligation process, they may be added to this program. All remaining funds for mitigation programs in this action plan may be reallocated to this program, as appropriate.

The MRP supersedes any conflicting criteria of the Action Plan, as amended, while addressing the appropriate reallocation of unutilized funds that will be used in the MRP.

5.4.13.1 *Allocation Amount: $92,000,000*

The GLO will ensure that MRP-funded projects maintain:

i. Overall HUD MID counties and ZIP codes expenditures; and
ii. LMI aggregate requirements.

5.4.13.2 *Award Amount*

i. Maximum per project: $10,000,000
ii. Minimum per project: $2,500,000

5.4.13.3 *Eligible Entities:* Units of local government (cities and counties), flood and drainage districts, and Indian Tribes.

5.4.13.4 *Eligible Activities*

i. Flood and drainage improvements.
ii. Water system improvements.
iii. Wastewater improvements.
iv. Street improvements.
v. Permanently affixed emergency communications equipment.

5.4.13.5 *Ineligible Activities*

i. Any activity not identified above.

5.4.13.6 *Program Restrictions*

i. CDBG-MIT funds shall not be used for programs and projects to provide emergency response services. Emergency response services shall mean those services that are carried out in the immediate response to a disaster or other emergency in order to limit the loss of life and damage to assets by state and local governmental and nongovernmental emergency public safety, fire, law enforcement, emergency response, emergency medical (including hospital emergency facilities), and related personnel, agencies, and authorities;

ii. CDBG-MIT funds may not be used to enlarge a dam or levee beyond the original footprint of the structure that existed prior to the disaster event. CDBG-MIT funds for levees and dams are required to:

   a. Register and maintain entries regarding such structures with the USACE National Levee Database or National Inventory of Dams;

   b. Ensure that the structure is admitted in the USACE PL 84–99 Rehabilitation Program (Rehabilitation Assistance for Non-Federal Flood Control Projects);

   c. Ensure the structure is accredited under the FEMA NFIP; and

   d. Maintain file documentation demonstrating a risk assessment prior to funding the flood control structure and documentation that the investment includes risk reduction measures.

iii. Funds may not be used to assist a privately owned utility for any purpose. A private utility, also referred to as an investor-owned utility, is owned by private investors and is for-profit as opposed to being owned by a public trust or agency (e.g., a coop or municipally owned utility).

iv. CDBG-MIT funds may not be used on buildings and facilities used for the general conduct of government (e.g., city halls, courthouses, and emergency operation centers);

v. By law, (codified in the HCD Act as a note to 105(a)), the amount of CDBG-MIT funds that may be contributed to a USACE project is $250,000 or less.

vi. Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) prohibits flood disaster assistance in certain circumstances. In general, it provides that no federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for ‘‘repair, replacement, or restoration’’ for damage to any personal, residential, or commercial property if that person at any time has received federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable federal law on such property. No disaster assistance may be provided for the repair, replacement, or restoration of a property to a person who has failed to meet this requirement.

5.4.13.7 *National Objectives:*

Low- and moderate-income (LMI) and urgent need mitigation (UNM).

5.4.13.8 *Project Selection*

The GLO will hold a call for projects with each entity permitted to submit a maximum of three eligible projects. The GLO will then rank projects using the criteria defined in the Selection Criteria section below. This ranking will be used to inform the project selection in addition to a review of program eligibility and grant conditions.

Depending on demand, no applicant will be awarded for their second application until all entities with an eligible project scoring at least 50 points have been awarded funding once. Likewise, no applicant will be awarded for their third application until all entities with two eligible projects scoring at least 50 points have been awarded funding for each respective project.

5.4.13.9 *Eligibility Criteria*

The financial and management capacity of each entity and feasibility for the submitted project to be completed within the three-year time frame will be evaluated by the GLO for each project submission. Additionally, each project must:

i. Include one activity, one service area, and address one HUD national objective; and
ii. Mitigate against one of the top risks to which Texas has the greatest exposure, as outlined in the Mitigation Needs Assessment: hurricanes/tropical storms/tropical depressions, severe coastal/riverine flooding, storms, and tornadoes.

5.4.13.10 *Selection Criteria*

Criteria	Maximum Points
LMI National Objective	**10 Points Possible**
Project meets the LMI national objective	*10 Points*
Project does not meet the LMI national objective	*0 Points*
Leverage	**5 Points Possible**
Entity has pledged to provide Non-CDBG leverage (a minimum value of 10% of CDBG-MIT funds requested)	*5 Points*
Entity has not pledged to provide Non-CDBG leverage (a minimum value of 10% of CDBG-MIT funds requested)	*0 Points*
Identification in existing plan	**5 Points Possible**
Project is identified in a current adopted local plan	*5 Points*

Criteria	Maximum Points
Project is not identified in a current adopted local plan	*0 Points*
HUD MID	**5 Points Possible**
Project is in a HUD MID county or ZIP Code	*5 Points*
Project is in a State MID area	*0 Points*
Social Vulnerability Index (SoVI)	**25 Points Possible**
High	*25 Points*
Medium High	*20 Points*
Medium	*15 Points*
Medium Low	*10 Points*
Low	*5 Points*
Composite Disaster Index (CDI)	**25 Points Possible**
Top 10%	*25 Points*
Top 25%	*20 Points*
Top 75%	*15 Points*
Bottom 25%	*10 Points*
Bottom 10%	*5 Points*
CDBG-DR Eligible Presidential Declarations from 2008 to 2025	**25 Points Possible**
County declaration received with FEMA obligations for Housing Assistance and PA Categories C-G totaling ***more*** *than $200 million*	*2 Points per declaration*
County declaration received with FEMA obligations for Housing Assistance and PA Categories C-G totaling ***less*** *than $200 million*	*1 Point per declaration*
Tie-Breakers: 1) National Risk Index (NRI) raw score 2) LMI national objective 3) Call for projects submission date and time.	
More details on the scoring criteria will be available in the scoring methodology.	

5.4.13.11 *AFFH Review*

All proposed projects will undergo AFFH review by the applicant before GLO approval. Such review will include assessments of (1) a proposed project's area demography, (2) socioeconomic characteristics, (3) housing configuration and needs, (4) educational, transportation, and health care opportunities, (5) environmental hazards or concerns, and (6) all other factors material to the AFFH determination. Submissions should show that projects are likely to lessen area racial, ethnic, and low-income concentrations, and/or promote affordable housing in low-poverty, nonminority areas in response to natural hazard-related impacts.

4.2.1.1 Timeline

The proposed program start date is immediately after HUD's approval of Action Plan Amendment 5. The proposed end date is three years from the start of the program. Project contracts will be for a maximum of three years from the contract execution; extensions will not be made available for projects funded by the MRP.