

4.5 FUNDING SOURCES

In 44 CFR201.4(c)(3)(iv) the State is required to include identification of current and potential sources of Federal, State, local or private funding to implement mitigation actions in the mitigation strategy.

The State of Ohio currently has limited financial resources dedicated toward funding of mitigation related projects. The primary sources for state and local hazard mitigation projects have been the federally funded cost-share programs available through FEMA. The state matches a portion of the share through the state's general revenue fund and requires local jurisdictions to contribute the final portion. A local communities ability to provide the match funds is a requirement for project prioritization by the SHMT.

The limited funding from local community budgets requires the use of alternate funding sources for the cost-share match. Several State Agencies distribute funds for mitigation activities. This section examines the state and local sources available to provide financial assistance to local communities, state agencies and private non-profit agencies to implement hazard mitigation projects.

4.5.1 STATE FUNDING SOURCES

Funds for hazard mitigation projects are provided through the Ohio State budget. The State of Ohio currently has two state disaster programs: State Disaster Recovery Program and Individual Assistance. Funding for both programs comes from the general fund and is administrated by the Ohio EMA, Disaster Recovery Branch. The program's rules and regulations for the administration of these funds are similar to the Federal Public Assistance and Individual Assistance programs.

Legislation to provide funds for hazard mitigation projects is currently being considered by the State Legislature. When approved by the legislature and the Governor these funds will be in the budget and available to the Ohio EMA. The appropriation request is for \$2.00 per capita. The 2000 Ohio population exceeded 11 million (11,353,140), which could potentially provide over \$22,000,000 in funds for the state as a source of funds for mitigation activities.

4.5.1.1 State Disaster Relief Program (SDRP)

<i>Lead Agency:</i>	Ohio Emergency Management Agency
<i>Contact Information:</i>	Kay Phillips, Branch Chief
<i>Annual Funding:</i>	Part of the \$7.5 million covering other state related disaster expenses.
<i>Funding Source:</i>	State Emergency Purposes Fund

Program Description:

Initial emergency response to disasters often results in the use of local government personnel and resources, which exhausts local government resources. When a local community and the Governor declare a State of Emergency due to a hazard event, the funds from the State Disaster Relief Program are available to the communities. The State of Ohio can offer some financial assistance to those political subdivisions and eligible PNP organizations. State disaster relief assistance is limited to reimbursement of 50 percent of eligible costs for snow emergencies and 75 percent of eligible costs for other natural disasters.

The local government or the Governor needs to declare the disaster to remain eligible recipients for the funds. The only exception is a Snow Emergency, when the Governor must declare the disaster. These funds are intended to supplement not supplant local government resources. Emergency assistance funds may be denied by Ohio EMA if the applicant has not or is unable to document responsible, self-help actions through the use of local appropriations realistically budgeted for emergency purposes.

Mitigation Implications:

Currently, the only provision to fund mitigation activities is reimbursement for code and standard expenses. When the procedures are updated for the SDRP, there are plans by the Recovery Division to address funding for mitigation activities.

4.5.1.2 State Individual Assistance Program

<i>Lead Agency:</i>	Ohio Emergency Management Agency
<i>Contact Information:</i>	Kay Phillips, Branch Chief
<i>Annual Funding:</i>	Part of the \$7.5 million covering other state related disaster expenses.
<i>Funding Source:</i>	State Emergency Purposes Fund

Program Description:

The SIAP provides assistance to families and individuals that have private property losses or damages caused by a disaster declared by local governments, the Governor. The SIAP is effective and provides assistance when an area has been declared by the Governor as an emergency area, but does not qualify for federal disaster assistance from the FEMA.

Mitigation Implications:

This fund helps individuals and families recover from the effects of a disaster and reduces the strain on local communities overwhelmed with the costs of the recovery.

4.5.2 NON-FEDERAL SHARE FUNDING SOURCES

This section includes an overview of available state-funding sources that are used as the non-federal share for federal grant programs as well as to fund non-federally funded local projects. The list of programs is not all-inclusive and will be updated annually as additional state funding sources are identified:

4.5.2.1 Clean Ohio Fund

<i>Lead Agency:</i>	Ohio Department of Natural Resources
<i>Contact Information:</i>	Chad Berginnis, Supervisor
<i>Annual Funding:</i>	\$100 Million dollars
<i>Funding Source:</i>	Bond Program

Program Description:

The Clean Ohio Fund, created in 2000, provides \$400 million through a bond program to preserve natural areas and farmland, protect streams, create outdoor recreational opportunities, and revitalize urban areas by returning contaminated properties to productive use.

The Ohio General Assembly funds this program to preserve green space and farmland, improve outdoor recreation and revitalize blighted neighborhoods. The Ohio Public Works Council administers this fund.

Mitigation Implementation:

Communities utilize the program as a portion of the non-federal match. The funds for acquisition projects assist with the overall goal of preserving Ohio's green spaces. Funds are available for multiple purposes, but protecting public health through projects in areas that pose a public health threat are critical.

4.5.2.2 Coastal Management Assistance Grants

<i>Lead Agency:</i>	Ohio Department of Natural Resources - Office of Coastal Management
<i>Contact Information:</i>	Yetty Alley, Office of Coastal Management
<i>Annual Funding:</i>	\$250,000
<i>Funding Source:</i>	National Oceanic & Atmospheric Administration

Program Description:

The goal of the Coastal Management Assistance program is to help preserve, protect and enhance Ohio's Lake Erie coastal resources. Grants are awarded on a competitive basis. Comprehensive community planning is given priority for grant

funding in an effort to encourage communities to plan for sustaining their coastal community in the long-term. The goal is to promote community planning that addresses enhanced public access, hazard mitigation, natural resources protection and restoration, and sustainable coastal development issues

Mitigation Implication:

The Coastal Management Assistance Grant program began in the fall of 1997 with its first grant awards in 1998. Since the program's creation, 45 projects have been approved and more than \$1.7 million has been awarded.

4.5.2.3 Community Development Block Grant (CDBG)

Lead Agency: Ohio Department of Development

Contact Information: Ms. Karen Fabiano, (614) 466-2285

Annual Funding:

Central cities of MSAs other metropolitan cities with populations of at least 50,000; and qualified urban counties with populations of at least 200,000 are entitled to receive annual grants. HUD determines the amount of each entitlement grant by a statutory dual formula which uses several objectives to measure community needs, including the extent of poverty, population, housing overcrowding, age of housing and population growth lag in relationship to other metropolitan areas.

Funding Source: Ohio Department of Development

Program Description:

HUD awards grants to entitlement community grantees to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services.

Entitlement communities develop their own programs and funding priorities, but grantees must give maximum feasible priority to activities that benefit low- and moderate-income persons. A grantee may also carry out activities, which promote the prevention or elimination of slums or blight. Activities that have a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and other financial resources are not available can be certified by the grantee.

Mitigation Implications:

CDBG funds may be used for activities that include, but are not limited to:

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures

- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes
- Public services, within certain limits
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities

4.5.2.4 Community Housing Improvement Program (CHIP)

<i>Lead Agency:</i>	Department of Development Office Housing and Community Partnerships
<i>Contact Information:</i>	Karen Fabiano (614) 466-2285
<i>Annual Funding:</i>	Approximately \$30.5 million
<i>Funding Source:</i>	Department of Development

Program Description:

The CHIP provides grants to eligible communities interested in undertaking housing-related activities, including necessary infrastructure improvements. The grants are awarded competitively and encourage a flexible, community-wide approach to the improvement and provision of affordable housing for low- and moderate-income persons, and help develop local administrative capacity.

Prioritization for project recipients are based on the following rating criteria:

- Community Distress
- Administrative Capacity/ Past Performance
- Program Design/ Impact
- Cost Effectiveness
- Leverage and Coordination

Mitigation Implication:

The State of Ohio has not utilized this program as the match for any mitigation activities, but funds could potentially be allocated for future projects.

4.5.3 Local Funding Sources

The primary sources for local hazard mitigation projects have been the federally funded programs available through the FEMA. The Federal programs require a 75 federal /25 local cost share. The State of Ohio provides funding for 12.5% and local jurisdictions are responsible for the other 12.5% share. The non-federal matching

share for local mitigation activities in the State of Ohio usually comes either from the county, municipality or the individual participating in the projects. In-kind services that are provided by local individuals or groups in the community, also contribute towards the required non-federal match.

The primary revenue sources for general operations of counties, cities and towns are the local shares of property taxes, state sales and use taxes and intergovernmental revenues such as local shares of the state gas tax and profits from state liquor sales. Local governments can authorize fees for various permits and business activities, but the revenues generally offset the cost of licensing or regulating the identified activities. Bonds can be issued to pay for long-term capital projects. All local government units with the ability to issue long-term bonds are limited to the amount of debt they can hold; the amount is based on a specific percentage of the assessed valuation of the district codified in state law. Taxes, permit fees and bond programs provide revenue for the communities. In the State of Ohio, the funds are often reserved for other projects but they could be potential sources for future projects.

4.5.4 PRIVATE FUNDING SOURCES

Voluntary agencies are among the first to arrive in a disaster stricken area and among the last to leave. The agencies are crucial not only in the initial emergency and relief effort, but also in helping disaster affected families in their long-term recovery efforts.

The Ohio chapter of VOAD has been active in responding to disasters. The committee's long-term recovery goal is to aid those families with unmet needs to develop a plan and to help them get adequate assistance for their recovery. The VOAD approach enables the volunteer groups to have the greatest impact where they are most needed and avoids duplication of services. These volunteer crews respond with emergency help such as cleanup, warehousing and distribution of food and clothing. The American Red Cross and Salvation Army are vital agencies for emergency assistance in a disaster. Post-disaster church organizations also provide numerous resources to assist disaster victims with the recovery process.

Historically, corporations have not provided money or in-kind services for mitigation projects in Ohio. In the next three years, the state will research potential funding opportunities for state hazard mitigation projects and initiatives with corporations such as: Ford Motor Corporation, General Electric, General Motors, Johnson and Johnson, Key Corporation, Kroger Corporation, Nationwide Insurance, Proctor and Gamble, Schottenstein and Wendy's.

4.5.5 FEDERAL FUNDING SOURCES

The state relies heavily upon federal hazard mitigation grant programs available through the FEMA to fund state government hazard mitigation programs. Through the programs, the cooperation of the Federal/ Local mitigation initiative has lessened the burden on local economies and created substantial costs savings in disaster-damaged areas. This section identifies and describes the principle federal funding sources that the state uses to achieve its mitigation goals.

4.5.5.1 Hazard Mitigation Grant Program (HMGP)

Lead Agency: Department of Homeland Security,
Federal Emergency Management Agency

Contact Information: Department of Homeland Security,
Federal Emergency Management Agency –
Region V, Chicago, Illinois

Annual Funding:

The HMGP funds are provided as a result of a major disaster declaration. The State receives 7.5% of the overall funds received from a Disaster Declaration with an approved Standard State Plan. An approved enhanced plan provides a 20% incentive of the overall funds received from a disaster.

Program Description:

Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (PL932-288 as amended) authorizes the HMGP. It is a partnership that is designed to assist states, local governments, private non-profit organizations and Indian Tribes in implementing long-term hazard mitigation measures following a major disaster declaration. The objectives of the Hazard Mitigation Grant Program are:

- Prevention of future losses of lives and damage to property due to disasters
- Implementation of state or local hazard mitigation plans
- To enable mitigation measures to be implemented during immediate recovery from a disaster
- To provide funding for previously identified mitigation measures that benefit the disaster area

Eligible applicants are state and local governments, Native American tribes and certain non-profit agencies. The eligible activities include: acquisition of damaged structures, elevation and retrofit of existing structures, relocation or demolition of existing structures and minor structural flood control projects. All projects must meet the minimum criteria detailed in this Section under Eligibility Criteria for Mitigation Measures.

The HMGP is federally funded but the program is administered through a partnership arrangement with the Ohio EMA. The key responsibilities of the state are to:

- Solicit and review Hazard Mitigation Grant Program proposals from applicants
- Prepare and submit the proposals to FEMA in accordance with procedures set forth in the State Hazard Mitigation Grant Program Administrative Plan
- Manage the Hazard Mitigation Grant Program and the funds available under the program

The state's Hazard Mitigation Grant Program Administrative Plan governs how projects are selected for funding.

Mitigation Implications:

Between 1990 and 2000 Ohio EMA received over \$25 million in federal funding under the HMGP 10 declared disasters. Beginning in 2001 through June 30, 2004, seven disasters have been declared and it is estimated that the State of Ohio will receive in excess of \$11 million. Examples of the recent projects funded with the HMGP funding are listed as success stories at the end of this section.

The state only allows funding with HMGP funds for the local projects that are identified in existing Local Hazard Mitigation Strategies. The state also utilizes the HMGP 7% planning allocation to support local mitigation planning. The implementation of various types of mitigation projects using the funding provided by the HMGP supports the state to achieve its mitigation goal to protect life, protect property, promote a sustainable economy and increase public preparedness for disasters.

4.5.5.2 Flood Mitigation Assistance Program (FMA)

<i>Lead Agency:</i>	Department of Homeland Security, Federal Emergency Management Agency
<i>Contact Information:</i>	Department of Homeland Security, Federal Emergency Management Agency – Region V, Chicago, Illinois
<i>Annual Funding:</i>	The FMA funds are pre-disaster funds that are provided on an annual basis.

Program Description:

The FMA Program is authorized by Sections 1366 and 1367 (42 U.S.C.) of the National Flood Insurance Reform Act of 1994. It is a partnership designed to assist states, local and Indian Tribal governments in reducing or eliminating long-term risks of flood damage to repetitively flooded structures insured under the NFIP. The goals of the Flood Mitigation Assistance Program are to:

- Fund cost-effective and technically feasible measures that reduce or eliminate the long-term risk of flood damage to buildings and manufactured homes insured under the NFIP
- Encourage long-term, comprehensive mitigation planning that addresses repetitive flood losses
- Reduce the number of repetitively or substantially damaged structures and the associated claims on the National Flood Insurance Fund; and

- Complement other federal and state mitigation programs with similar long-term mitigation goals

There are three types of grants available under the FMA:

- Planning
- Projects
- Technical Assistance

Eligible applicants are state and local governments, Native American tribes and certain non-profit agencies. The eligible activities include: acquisition of damaged structures, elevation and retrofit of existing structures, relocation or demolition of existing structures and minor structural flood control projects. The above activities although eligible must meet the minimum criteria detailed in this Section under Eligibility Criteria for Mitigation Measures.

The FMA Program is federally funded but the program is administered through a partnership arrangement with the Ohio EMA. The key responsibilities of the state are to:

- Solicit and review FMA Program proposals from applicants
- Prepare and submit the proposals to FEMA in accordance with procedures set forth in the State Hazard Mitigation Grant Program Administrative Plan
- Manage the FMA Program and the funds available under the program.

The state's Flood Mitigation Grant Program Administrative Plan governs how projects are selected for funding.

Mitigation Implications:

The Ohio EMA, which administers the FMA, has provided over \$500,000 in funds for acquisition, elevation and flood retrofitting projects since 2000. All the structures acquired with FMA funds sustained repetitive damage. In 2003, a stipulation was placed on FMA projects to focus on structures from the repetitive loss list provided through the NFIP. Since the creation of the rule, eight structures on the repetitive loss list were purchased. The state utilized the FMA planning allocation to support local mitigation planning. The implementation of various types of mitigation projects using the funding provided by the FMA supports the state to achieve its mitigation goal to protect life, protect property, promote a sustainable economy and increase public preparedness for disasters.

4.5.5.3 Pre-Disaster Mitigation Program (PDM)

Lead Agency: Department of Homeland Security,
Federal Emergency Management Agency

Contact Information: Department of Homeland Security,

Federal Emergency Management Agency –
Region V, Chicago, Illinois

Annual Funding:

The PDM funds are pre-disaster funds that are provided on an annual basis.

Program Description:

The PDM program was authorized by Section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended by Section 102 of the DMA2K, to assist communities with implementing hazard mitigation programs designed to reduce overall risk to the population and structures before the next disaster occurs. Eligible applicants are state and local governments and federally recognized Indian Tribal governments. Private non-profit organizations are not eligible, to apply; however, they may request a local government to submit an application for proposed activities on their behalf. The eligible activities include: acquisition of damaged structures, elevation and retrofit of existing structures, relocation or demolition of existing structures and minor structural flood control projects. All projects must meet the minimum criteria detailed in this Section under Eligibility Criteria for Mitigation Measures.

Although the PDM program is federally funded, the program is administered through a partnership arrangement with the Ohio EMA. The key responsibilities of the state are to:

- Solicit and review PDM Program proposals from applicants
- Prepare and submit the proposals to the FEMA in accordance with procedures set forth in the National PDM funding guidance
- Manage the PDM program and the funds available under the program.

Mitigation Implications:

Ohio utilized the PDM planning funds for the first two years, to assist local communities with their Local Hazard Mitigation Plans. In 2003, the State was awarded its first PDM-C grant of \$2.5 million for a mitigation project in the City of Fairfield. The city's main objective is to remove flood-prone structures from the floodplain. A park will be constructed on the acquired lots for the social benefit of the entire community. The grant will relieve twenty-five years of flooding problems associated with the Great Miami River, Pleasant Run Creek and the tributary of Pleasant Run.

The City of Fairfield, which is located in the southeastern corner of Butler County, proposes to acquire 23 flood-prone residential structures located in the 100 year floodplain. Seventeen structures lie within the floodway. Six of the proposed homes have documented repetitive loss claims with NFIP in the amount of \$280,000 between 1979 and 2003. During this same period the area has experienced 10 major flooding events with the most recent occurring in June 2003.

4.5.6 MITIGATION SUCCESS

Mitigation Success Stories prove the necessity of mitigation programs. This section includes a description of mitigation measures that have been funded throughout the State of Ohio using a variety of mitigation related funding sources. These projects are examples of the state's commitment to assist local governments in reducing their risk to identified vulnerabilities and the costs associated with response and recovery.

- In 1997 using HMGP funds the Village of Rutland (Salisbury Township, Meigs County) was able to elevate 18 homes that had suffered significant damage in several previous floods throughout the 90's. The properties were elevated to a level above the Base Flood Elevation. In February 2000 the area suffered extensive flooding. Based on the depth of the 2000 floodwater if these homes had not been elevated there would have been significant damage. The elevation of one of the homes cost \$14,700 and the homeowner estimated that the damage from the 2000 flood could have exceeded \$20,000. The savings made possible by the elevation exceeded the cost of the project.
- The Village of Rarden (Scioto County) is located at the picturesque convergence of Rarden Creek and Jessie's Run. Homes in the low-lying residential area near the creeks often had standing water on their lots. Two days of continuous downpours compounded the flooding problem, which culminated on March 2, 1997 when the water reached a depth of ten feet, almost to first floor ceilings. An HMGP grant of \$158,000 and state/local funding totaling \$71,000 were approved for the acquisition of four homes, one mobile home and one vacant lot in the flood-prone creek front area. The area is repeatedly flooded, but the buy-out has removed the stress on the homeowners as well as the costs for repair.
- If long-term flooding patterns had been known 170 years ago, homes or commercial structures in New Richmond would never have been built. In 1996-97 the area was included as part of three presidential declarations in a 14 month period. A total of \$504,000 (\$321,000 HMGP funds and \$183,000 state and local funding) was awarded to buy 5 undeveloped lots and 16 structures located in high-risk areas for repetitive flooding. In 2000 and 2002 when New Richmond was affected by spring flooding, the lowest-lying buyout areas of the village suffered only minimal damage.
- The City of Jackson (Jackson County) is located 30 miles from the Ohio River in the state's hilly and scenic southeastern corner of Jackson County. Horse Creek and Salk Lake Creek are usually unthreatening streams but unusually heavy rains created more runoff than the creek banks could contain. The residents, mostly low-income, who lived in the low-lying, poorly drained areas of the town suffered considerable damage in 1963, 1968 and in 1975. In March 1997, a downpour and its aftermath caused the worst flooding ever recorded in the area. The City of Jackson received a \$288,000 HMGP grant and state and local matching funds allowed for the purchase of 4 vacant lots and permanently removed 31 repetitively damaged structures. The buyout created cost savings especially for local safety forces that were relieved of the

- dangerous chore of going into the mitigated area in boats to rescue the elderly residents.
- Cambridge sits at the foothills of the Appalachian Mountains in Guernsey County. Cambridge is a dream for those living on the peak but a constant fear of impending storms for those living at the lower elevations because of runoff. In the past decade Guernsey County has endured three Presidential Declared Disasters. The acquisition project primarily focused on 60-65 homes suffering from decades of loss due to repetitive flooding. Twenty-three homeowners participated, while an additional six homes relocated critical utilities (furnaces and water heaters). In January 2004, when severe storms poured five inches of water in 72 hours over large portions of the state, the mitigation efforts begun in 1998 proved successful. Now empty lots had standing water from the rain. Individual assistance for the City of Cambridge residents in 1968 was \$1,630,945 and the Federal share of the acquisition/retrofit project was \$579,410. The acquisition not only gave relief to all involved from the financial burden of flooding, but also gave homeowners the peace of mind to enjoy the view from their new homes.
 - The Miller South flood area in Lawrence County is one of the most often flooded areas in the entire state. There have been 27 documented flood events since local record keeping started in 1832. Eight of these floods have occurred since 1950. There were six large upscale homes that had suffered repeated but not catastrophic damage in several recent high water events. Elevation was a good alternative to acquisition because these houses have a high market value, the properties were only a couple of feet below the Base Flood Elevation and the families enjoyed the area and didn't want to relocate. Four of the six went through with the elevation process. These elevated homes now have significantly reduced danger of injury or property damage in extreme weather and enhanced property values based on the improved disaster resistance of their houses.
 - The Village of Aberdeen (Brown County) is most vulnerable to flooding from a stretch of downtown river frontage roughly ten blocks long and three blocks deep. The property slopes dramatically down to the village's main street near the riverbank where the hillside flattens into a level plain 8-10 feet below the Base Flood Elevation. The high-risk area was occupied by 12 single-family homes and 25 mobile homes, which were occupied by low-income renters. The village ultimately brought out 15 structures and eight vacant lots in the targeted area. One mobile home was relocated to a trailer park outside the flood plain and the village worked with FEMA to help displaced renters find nearby replacement housing. The buy-out area, with the exception of a few isolate homes, has been created into grassy public parkland.
 - Medina County suffered from flooding due to rainstorms in May and June 2004. Four families that lived in repetitively flooded structures received FMA grants for the acquisition of their repetitively flooded homes.

- The Village of Corning in Perry County is utilizing HMGP funds for a combination of elevations and acquisitions. The option of elevation helps to maintain the integrity of a community since it supports the local businesses and continues the tax base. Homeowners become attached to their homes, the area and feeling of unity that a neighborhood environment creates and don't want to relocate. One resident has lived her whole life in this small village and elevation gave her the option to remain in the home she moved into on her wedding night and reduce the strain of recovery from flooding events.
- The Village of Amesville (Athens County) completed a \$1.3 million HMGP project. Four options were available to homeowners: acquisition, retrofit, relocation and elevation. One structure was elevated and three were retrofitted with the HMGP funds. An additional twenty homes were acquired and demolished in an area that had been under eighteen feet of water and a park for village gatherings and quiet lunches was created in its place.