

CDBG-MIT ELIGIBLE ACTIVITIES AND LMI REQUIREMENTS

ELIGIBLE ACTIVITIES

Through the Regional Method of Distribution (MOD) the Houston Galveston Area Council had the choice to limit eligible activities. HGAC did not limit activities and the following is the list of eligible activities that may be undertaken through CDBG-MIT:

- Flood control and drainage improvements, including the construction or rehabilitation of stormwater management systems;
- Infrastructure improvements (such as water and sewer facilities, streets, provision of generators, removal of debris, bridges, etc.)
- Natural or green infrastructure;
- Communications infrastructure;
- Public facilities;
- Buyouts or Acquisition with or without relocation assistance, down payment assistance, housing incentives, and demolition;
- Activities designed to relocate families outside of flood plains;
- Public service within the 15 percent cap (e.g. housing counseling, legal counseling, job training, mental health, and general health services);
- FEMA Hazard Mitigation Grant Program (HMGP) cost share for CDBG-MIT eligible project;
- Economic Development (assistance to businesses for the installation of disaster mitigation improvements and technologies; financing to support the development of technologies, systems and other measures to mitigate future disaster impacts; “hardening” of commercial areas and facilities; and financing critical infrastructure sectors to allow continued commercial operations during and after disasters); and
- Nonresidential structures must be elevated to the standards described in this paragraph 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 the 100-year (or 1 percent annual chance) floodplain. All Critical Actions, as defined at 24 CFR 55.2(b)(3), within the 500-year (or 0.2 percent annual chance) floodplain must be elevated or floodproofed (in accordance with the FEMA standards) to the higher of the 500-year floodplain or elevation is unavailable, and the Critical Action is in the 100-year floodplain, then the structure must be elevated or floodproofed at least 3 feet above the 100-year flood plain 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 station and principal utility lines.

INELIGIBLE ACTIVITIES

- **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;
- **Enlargement of a dam or levee beyond the original footprint of the structure that existed prior to a disaster event.** CDBG-MIT funds for dams and levees are required to:
 - Register and maintain entries regarding such structures with the USACE National Levee Database or National Inventory of Dams;
 - Ensure that the structure is admitted in the USACE PL 84-99 Rehabilitation Program (Rehabilitation Assistance for Non-federal Flood Control Projects);
 - Ensure the structure is accredited under the FEMA NFIP; and
 - Maintain file documentation demonstrating a risk assessment prior to funding the flood control structure and documentation that the investment includes risk reduction measures.
- **Assistance to privately owned utility to 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);
- **Buildings and facilities used for the general conduct of government** (e.g. city halls, courthouses, and emergency operation centers.)
- **Any amount above \$250,000 contributed toward a USACE project.**
- **Any project that permits violation Section 582 of the National Flood Insurance Reform Act of 1994.** In general, no federal disaster relief assistance made available in a flood disaster area may be used to make a 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.
- **Any project that purchases property through eminent domain and subsequently allows it to benefit a private party or fails to limit its use for public use,** or allows such public use to include economic development that primarily benefits private entities.
- **Incentive payments to households that move to disaster-impacted floodplains.**

LOW- AND MODERATE-INCOME (LMI) REQUIREMENTS

CDBG-MIT funding must meet the 50 percent low- and moderate-income (LMI) benefit requirement.