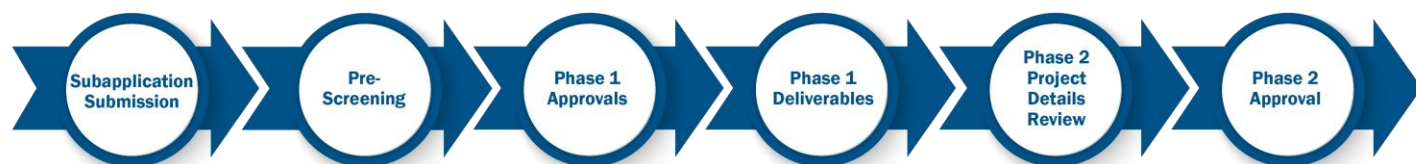


Submitting Phased Projects for BRIC or FMA Funding

This Program Support Material (PSM) provides detailed information about phased projects eligible through the Building Resilient Infrastructure and Communities (BRIC) and Flood Mitigation Assistance (FMA) program. The information below includes an overview of phased projects, an explanation on how they differ from project scoping activities, background on the BRIC and FMA Notice of Funding Opportunity (NOFO) processes, and additional information for further reference.



Background

During its stakeholder engagement efforts in the summer of 2019, FEMA received many comments that identified the difficulties in creating a full project subapplication, particularly within the short timeframes allotted for release of the NOFO and the difference between FEMA and state, territory, or federally recognized Tribal governments applicant deadlines. Specifically, stakeholders advocated for phased projects, a type of funding mechanism used in the Hazard Mitigation Grant Program (HMGP).

Every Hazard Mitigation Assistance (HMA) subapplication goes through various steps before the subapplication is selected and awarded. In general, the applicant or subapplicant provides sufficient technical information to allow FEMA to make an eligibility determination on a subapplication. The costs to obtain this technical information are generally eligible as pre-award costs. However, at times, a subapplicant needs financial assistance in developing projects and/or subapplications. Two different funding strategies are available to assist stakeholders in completing the application development process: project scoping and phased projects.

Project scoping activities are designed to develop mitigation strategies and obtain data to prioritize, select, and develop complete applications in a timely manner that result in either an improvement in the capability to identify



FEMA

appropriate mitigation projects or in the development of an application-ready mitigation project for future cycles of BRIC, FMA, or another funding opportunity.

Phasing is suitable for complex projects for which FEMA provides sufficient funding to subapplicants to prepare all the technical and environmental information, including design, engineering studies, final Benefit-Cost Analysis (BCA), and permitting, before issuing a full construction approval and providing the remaining funding. Phasing assists communities when providing the complete technical information required of a complex project is beyond their technical and financial resources. Phasing a project allows funds to be reserved through the same grant cycle, and also allows monies to flow and effective mitigation projects to be developed and evaluated without a community assuming the risk of not being funded. The phasing approach can be especially helpful for smaller communities.

Differences Between Phase Projects and Project Scoping

Phased projects differ from project scoping activities. Project scoping helps a community develop a concept or subapplication for a project that could be submitted in future grant cycles. Phasing is for projects that are further along in development, but for which funding is lacking to complete certain technical pieces. For phased projects, both the project design and construction activities must be completed within the period of performance. In BRIC, project scoping subapplications can only be funded under the State/Territory Allocation or Tribal Set-Aside funds, and phased projects are eligible for funding through the national competition. For FMA, project scoping subapplications can be submitted for funding under the Capability- and Capacity-Building Activity type and phased projects are eligible for funding under the Localized Flood Risk Reduction Project type.

How to Use a Phased Project

The BRIC and FMA NOFOs are published annually and detail the financial assistance available to eligible BRIC and FMA applicants and subapplicants.

When submitting a subapplication for a phased project, subapplications must identify the phased project approach within the subapplication of FEMA Grants Outcomes (FEMA GO). The subapplicant should follow the requirements within the NOFO and include available preliminary design and site data. While a phased project may not have all the required information, the scope of work must reflect how those gaps will be reflected in Phase I.

Once FEMA awards the grant, funding is available for Phase I, which could include developing the complete body of technical data to finalize Phase I analysis and design, conduct applicable engineering studies, prepare a BCA, and provide documentation for an Environmental Planning and Historic Preservation (EHP) review. These Phase I deliverables provide FEMA with a technical body of information mutually concurred on by the recipients, the subrecipient, and FEMA to determine project eligibility based on technical feasibility and cost-effectiveness. If the results of the Phase I review indicate that the project meets BRIC or FMA requirements, then the project becomes eligible for construction funding under Phase II. Phase I funding is part of the project's total estimated cost and is subject to BRIC or FMA cost-share requirements. If a project is not shown to be cost-effective or technically feasible after Phase I completion, FEMA still funds the costs of Phase I. However, Phase II funding is not guaranteed and is instead contingent upon the outcomes of the evaluation of the Phase I deliverables.

The following information is intended for guidance only and is not a request for information. The following template is only intended to help the reader understand the grant application process.

The use of a phased approach should be limited to complex projects that require technical or EHP data beyond the scope of what is generally required for a typical BRIC or FMA project. One example is a large-scale flood risk reduction project that requires a hydrologic and hydraulic (H&H) study, feasibility analysis, and acquisition of rights-of-way from property owners.

The following outlines the process for phased project approvals:

- **Pre-screening Process**

The pre-screening process ensures that the Phase 1 scope of work is sufficient to allow FEMA to review the project, determine eligibility, and meet other program requirements.

- **Pre-screening Criteria:** The applicant will review projects proposed for Phase I project funding to verify they meet the following pre-screening criteria:
 - ❖ **State or Tribal (Standard or Enhanced) Hazard Mitigation Plan:** The proposed project must align with the State or Tribal (Standard or Enhanced) Hazard Mitigation Plan as well as the local or Tribal Hazard Mitigation Plan for the jurisdiction in which the activity is located
 - ❖ **Justification for Selection of the Proposed Project:** Justification must be provided for the selection of the proposed solution after consideration of at least two alternative options. Minimum criteria for a solution should include:
 - **Alternatives analysis** – Analysis of at least three proposals with a discussion of why the selected approach was chosen and why the other two alternative proposals were not chosen
 - **Performance based criteria** – Discussion of the level of protection established for the long-term solution along with the anticipated remaining risk after the proposed project is complete
 - **Technical data** – List of missing technical data to be collected and developed during Phase I; this might include a vulnerability assessment, engineering practices, modeling techniques, best practices, and established codes and standards to which the design will conform
 - **Drawings** – Proposed conceptual drawings or designs
 - **Deliverables** – List of minimum deliverables and milestones to be completed during Phase I
- **Potential Cost-Effectiveness:** The project demonstrates potential cost-effectiveness based on a preliminary assessment of anticipated project benefits and cost. The subapplicant must be aware that this preliminary assessment is solely for the purpose of the Phase I pre-screening process and is not the final cost-effectiveness determination. A preliminary BCA is required at the time of subapplication and should be supported by documentation of the risk and anticipated risk-reduction of the project. This requirement does not apply to an EDRC, federally recognized Tribal government, or community with CDC SVI greater than 0.80 that is unable to calculate a BCR to demonstrate cost-effectiveness as stated in Section D.10.a.

The following information is intended for guidance only and is not a request for information. The following template is only intended to help the reader understand the grant application process.

- **EHP Review:** When a Phase I scope of work is limited to developing engineering and architectural design plans, the Phase I review would likely meet a specified Categorical Exclusion (CATEX), which is a type of work categorically excluded from detailed documentation prepared to complete the National Environmental Policy Act (NEPA) review. Phase I must also comply with other EHP requirements, such as Section 106 of the National Historic Preservation Act (NHPA), Section 7 of the Endangered Species Act (ESA), and Executive Orders (EO) 11988 and 11990 for floodplain management and protection of wetlands, among others. The EHP compliance review of the proposed action would result in a Record of Environmental Consideration (REC) to document that Phase I aligns with the scope of the specified CATEX and to identify any extraordinary circumstances. The Phase I review should identify any potential EHP compliance issues for Phase II, specify any information that would be needed to conduct a Phase II review, and project whether Phase II may require an Environmental Assessment (EA). The Phase I EHP compliance review must be completed before any ground disturbing activities, such as geotechnical boring, may begin. FEMA must also complete an environmental compliance review for Phase II before construction can be funded. EHP can provide technical assistance on any EHP-related Phase I deliverables identified during the Phase I review, such as an EA or Public Notices, in particular those necessary to meet the requirements of 44 CFR § 9.12. Phase II approval requires full EHP compliance review.
- **Other Relevant Technical Data:** The subapplicant must provide available data, including a vulnerability assessment, existing models, and other relevant technical data, as appropriate. It is important to identify all data needs during the pre-screening process and update the Phase I scope of work to ensure they are complete.
- **Milestones:** As available, the subapplicant must provide clear milestones (including those that will have Go/No Go criteria), a proposed timeline for these milestones, technical criteria (if applicable, such as ASCE 41, local/state storm water manual, etc.), and a list of potential final deliverables. Much of this may not be needed until Phase II but will give a much clearer picture of the full project.
- **Conceptual Schedule:** The phased project must be completed within the period of performance allowed by the program, so the conceptual schedule must align with the period of performance.
- **Phase I Award**
 - The applicant and FEMA may approve projects meeting the above requirements for funding under a Phase I award. FEMA and the applicant will coordinate closely to ensure concurrence on all data and technical information as any conditions included in the Phase I Award as the Phase I technical review process proceeds. The following conditions must be met through the Phase 1 deliverables prior to progressing to Phase II:
 - ❖ **Relevant Technical Data:** The applicant and FEMA will review technical data such as hydrologic and hydraulic, environmental, and geotechnical studies provided by the subapplicant, as appropriate. The technical data may result in reduced risk or increased level of protection. This is acceptable if all other programmatic requirements are met.

The following information is intended for guidance only and is not a request for information. The following template is only intended to help the reader understand the grant application process.

- ❖ Preliminary Engineering Design: Based on the technical data, the subapplicant develops a preliminary engineering design and layout and cost estimates with ad hoc technical assistance from the applicant and FEMA.
 - ❖ Milestones: As available, the subapplicant must provide clear milestones (including those that will have Go/No Go criteria for competition projects) and proposed timelines, and a list of potential final deliverables.
 - ❖ Refinement of the Cost-Effectiveness Assessment: Based on the revised design, budget, and the BCA Tool, the subapplicant and applicant will refine the preliminary assessment of cost-effectiveness conducted prior to Phase I approval. This will result in a final benefit-cost ratio (BCR), which will include all the project costs, including those associated with Phase I, to evaluate the project's cost-effectiveness. The BCA, developed by the BCA Toolkit, should be supported by available information, including:
 - Risk information supporting the pre-mitigation losses (e.g., FIRMs/Flood Insurance Study, loss history, structural risk assessments)
 - Mitigation effectiveness information supporting the risk reduction (e.g., commitment to a design standard [ASCE 24 / FEMA P-361], level of protection [100-year recurrence interval]).
 - Cost estimate for the anticipated project cost (including design costs) along with supporting assumptions.
 - ❖ Assumptions: The applicant and FEMA will review key assumptions, along with justification or rationale for these assumptions, regarding risk, project effectiveness, and cost.
 - ❖ EHP Review: The applicant and FEMA will conduct a review of the revised project design to ensure EHP compliance. EHP compliance review is required for Phase II is approved.
- Phase II Award Amendment – Construction Process
 - If the project is determined to be eligible, technically feasible, cost-effective, and compliant with EHP requirements under the technical review of Phase I deliverables, the project may then be approved for construction under Phase II.
 - Additional federal funds may be approved in Phase II, subject to the availability of funds.
 - In general, a contractor who develops the HMA grant application project specifications or is contracted to provide direct assistance with the completion and submission of a grant application, is generally prohibited from competing for the related construction work. See 2 CFR § 200.319(b) and subsection H.7.b: Procurement Integrity: Competition and Conflicts of interest of the BRIC NOFO.

The following information is intended for guidance only and is not a request for information. The following template is only intended to help the reader understand the grant application process.

Additional Information and Resources

BRIC or FMA program questions can be directed to the HMA Helpline at 1-866-222-3580.

State, District of Columbia, and territory subapplication deadlines differ from the FEMA BRIC or FMA application deadlines. Applicants set their subapplicant deadlines, which can be found on their respective emergency management websites: [State Hazard Mitigation Officers](#).

More information on other programmatic requirements can be found in the BRIC NOFO, available at www.Grants.gov, or on the BRIC webpage at <https://www.fema.gov/bric>.

More information on other programmatic requirements can be found in the FMA NOFO, available at www.Grants.gov, or on the FMA webpage at <https://www.fema.gov/grants/mitigation/floods>.

The resources below provide additional information related to the BRIC non-financial Direct Technical Assistance initiative:

- BRIC Non-financial Direct Technical Assistance webpage
- BRIC Non-Financial Direct Technical Assistant Program Support Material