



Minimum Programmatic Subapplication Requirements For Property Acquisition Projects

Scope of Work

The project Scope of Work (SOW) in the subapplication must include the following:

- Detailed description of work to be performed:
 - Example: The proposed activity is to acquire the structure and land located at (property address), demolish the structure within 90 days of closing, remove the debris, abandon the well and septic tank, disconnect all utilities, then conduct site work to turn the land into open space.
- Include value of each property in the scope of work and provide documentation demonstrating how the market value was determined. (Please refer to the Hazard Mitigation Assistance (HMA) Program and Policy Guide: Section B.1.3.7.1.1. – Valuation Methodology)
 - **Link to 2023 HMA Program and Policy Guide:**
<https://www.fema.gov/grants/mitigation/hazard-mitigation-assistance-guidance>
- Explain why this project is the best alternative. What alternatives were considered to address the risk and why was the proposed activity considered the best alternative?
- Additionally, the HMA Program and Policy Guide: Section B.1.3. (Property Acquisition: Application and Submission Information), please include an appeal or reconsideration process for property owners who dispute the purchase offer property valuation.
 - Example: The homeowner ordered a property appraisal from a State certified appraiser of their choice. The appraisal is dated April 7, 2015, and notes an appraised value of \$195,000. The homeowner submitted this appraised value of \$195,000 with the understanding that this will be the maximum purchase price allowed should a grant be awarded. The homeowner also fully understands that this is a voluntary program.

Budget:

- Please refer to the HMA Program and Policy Guide: Sections B.1.3.6.1. and B.1.3.6.2. for Allowable and Non-Allowable Costs

Current as of 02/2024



MITIGATION

- All subapplications must include a line-item breakdown of all anticipated costs within the cost estimate section of the subapplication. **Lump sum budgets are not acceptable.** Each property must have individual line items within the budget.
- Provide supporting documentation for the cost estimate (project budget) from a qualified professional (i.e., contractor, engineer or architect) or if using RS Means or a comparable estimating tool, please provide the source documentation to support the project's budget. Source documentation, SF-424 and SF-424C must match the requested budget within the subapplication.
 - Local Property Appraiser' Property Record or an Appraisal conducted by an appraiser in accordance with the Uniform Standards of Professional Appraisal Practice.
 - Demolition—documentation from a qualified professional (i.e., contractor, engineer, etc.).

Current as of 02/2024



MITIGATION

Sample Line Item Budget:

Eligible Costs	Total Project Cost	Federal Share 90%	Local Share 10%
Pre-Award (Subapplication Development, Appraisal, etc.)	\$5,000.00	\$4,500.00	\$500.00
Property Acquisition	\$325,000.00	292,500.00	\$32,500.00
Demolition, Site Restoration and Site Stabilization	\$10,000.00	\$9,000.00	\$1,000.00
Asbestos Survey, Abatement of asbestos and or lead-based paint, etc.	\$10,000.00	\$9,000.00	\$1,000.00
Survey, Appraisal, Closing and Legal Costs, Title Search, Insurance, etc.	\$5,000.00	\$4,500.00	\$500.00
Subapplicant Management Costs (Maximum of 5 percent of project cost)	\$5,000.00	\$4,500.00	\$500.00
Total Project Costs	\$360,000.00	\$324,000.00	\$36,000.00

Contingency costs up to 5% of the total project cost may be requested.

Contingencies: An allowance in the total budget to cover situations that cannot be fully defined when the budget is prepared but that will likely result in additional eligible costs. If contingency costs are requested, include them as a line item in the budget section of a subapplication. As with other line items in the budget, the subapplicant should justify the contingency estimate based on the nature of the proposed activity. Please refer to the HMA Program and Policy Guide: Section F.4. Contingencies.

Current as of 02/2024



MITIGATION

FEMA Required Documents:

- This is a cost-reimbursement program. Provide funds commitment letter for the total project cost with the understanding that the approved federal share will be reimbursed for eligible project costs. Please include the non-federal share resources for the required non-federal share.
- Proof of Active Flood Insurance (Policy Declarations Page). NFIP insurance policy must be in effect on the opening date of the application period and must be maintained through completion of the mitigation activity and for the life of the structure.
- Statement of Assurances
- Sample Deed Restriction Language
- SF-424 Form (Application for Federal Assistance)
- SF424C Form (Budget Information for Construction Programs)
- Property Owner Declaration and Release
- Property Owner Statement of Voluntary Participation
- Property Owner Duplication of Benefits Disclosure

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