***Division of Emergency Management
Hazard Mitigation***

***Policy Issue***

Should there be one state entity that is in charge of hazard mitigation?

***Background***

There are two state agencies that administer residential mitigation programs. The Division of Emergency Management (DEM) administers several federal and state programs designed to reduce or eliminate long-term risk to human life and property from disasters by reducing the impact of future disasters (see table). DEM also provides funding to Tallahassee Community College (TCC) to operate the Mobile Home Tie-Down Program. The Department of Financial Services administers the My Safe Florida Home Program (MSFH). [[1]](#footnote-1)

Division of Emergency Management

**Pre-Disaster Mitigation Program** - The Pre-Disaster Mitigation Program is a competitive federal grant program developed to assist state, local, and tribal governments in planning and implementing cost-effective hazard mitigation activities prior to disasters. The intent of the program is to reduce overall risk to people and property while also minimizing the cost of disaster recovery. Only the state emergency management agency or a similar office assigned the primary responsibility of emergency management may apply to FEMA for funding under this program. DEM reviews submitted projects to verify appropriateness, consistency with state and local mitigation strategies, cost-benefit, eligibility, and completeness before submitting the project to FEMA.

**Residential Construction Mitigation Program** - The Residential Construction Mitigation Program (RCMP) usually receives $7 million out of a total of $10 million annual appropriation from the Florida Hurricane Catastrophe Fund. Florida Statutes prescribe that fifty percent ($3.5 million) is designated for the improvement of residential homes wind resistance. The wind resistance program provides competitive grants for mitigation, education, and public outreach. DEM acts as the state administrative agency in disbursing appropriated funds according to Florida Statute. Forty percent of the $7 million ($2.8 million) is designated for the Mobile Home Tie-Down Program. DEM provides this funding directly to Tallahassee Community College to operate the tie-down program. Since October 2006, 6,065 homes have been retro-fitted with new foundation systems by the program. The remaining 10 percent ($700,000) is designated for hurricane research conducted by Florida International University.

**Hazard Mitigation Grant Program** - This program is disaster driven, in other words, funds are only available after a declared (major) disaster event. The funding is based on a percentage of Public Assistance and Individual Assistance award amounts. Florida has an Enhanced Hazard Mitigation Plan that has been accepted by FEMA; therefore the percentage is 20%, which is higher than it otherwise would be. The objectives of the Hazard Mitigation Grant Program are to prevent future losses of lives and damage to property due to disasters; implement state or local hazard mitigation plans; enable mitigation measures to be implemented during immediate recovery from a disaster; and provide funding for previously identified mitigation measures that benefit the disaster area. [[2]](#footnote-2)

Department of Financial Services

**My Safe Florida Home Program** - In 2006, state lawmakers took action and appropriated $250 million to create the My Safe Florida Home program.  The program was created to help Floridians identify and make improvements to strengthen their homes against hurricanes through free wind inspections and grant funds.  The Florida Legislature directed the My Safe Florida Home program to target its resources to homeowners living in single-family, site-built homes in Florida by providing free wind inspections and grants to eligible homeowners.  Since the program’s creation in 2006, more than 425,000 homeowners have applied for a free hurricane mitigation inspection. As of January 30, 2009, of the 391,216 inspections completed 213,478 homeowners, or 55 percent, are eligible for insurance savings without making a single improvement. This represents a potential $46.9 million in wind insurance savings statewide. As of January 30, 2009, 26,383 homeowners have been reimbursed by the program for more than $88 million. The average reimbursement per homeowner is approximately $3,500. Of more than 39,000 grants awarded approximately 37 percent have been awarded to low-income homeowners. My Safe Florida Homes also provides measurements of Reduction of Total Insurance Industry Liability, Savings in Total Florida Hurricane Catastrophe Fund Premiums, Savings in Private Market Reinsurance Premiums, and Reduction of Homeowner Deductible Liability. Due to budget constraints, the program expired on June 30, 2009.

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| **Program** | **Primary Source of Funding** | **State Agency** | **Performance / Measurements** |
| Pre-Disaster Mitigation Program  | Federal | DEM | * Managed $34,344,443
* Closed 36 wind retrofit projects, 4 drainage projects and 2 planning projects
* Currently ongoing or pending: 3 plans, 3 drainage projects and 15 wind retrofit projects totaling over $17,500,000
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| Measured Benefits | See Mitigation Cost Avoidance Report required by FEMA *www.floridadisaster.org* |
| Residential Construction Mitigation Program  | State | DEM | Since 2006 this program has utilized up to $3,500,000 annually to:* Award 28 grants for low to moderate income homes (mitigating over 4,800 homes)
* Award 22 grants to “priority areas” including mitigation construction techniques, training, and codes & standards projects
* Award 15 education grants for public outreach about wind damage and mitigation
* Award 8 grants that support non-regulatory, market-based approaches to wind damage mitigation
* Grant 7 RCMP program implementation enhancement projects
* Award 3 comprehensive mitigation planning grants and 1 low-interest loan program that supports residential mitigation
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| Measured Benefits | none |
| Residential Construction Mitigation Tie-Down Program  | State | TCC | - 6,065 homes retro-fitted |
| Measured Benefits | none |
| Hazard Mitigation Grant Program  | Federal | DEM | Since January 1, 2004:* Awarded 1,010 grants
* Managed $365,709,928 for mitigation
* Assisted applicants for an additional $134+ million in mitigation assistance, currently awaiting FEMA approval
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| Measured Benefits | See Mitigation Cost Avoidance Report required by FEMA *www.floridadisaster.org* |
| My Safe Florida Home Program   | State | DFS | * 391,216 inspections completed
* 37% of more than 39,000 grants awarded to low-income homeowners
* Average reimbursement approximately $3,500
* Savings in Private Market Reinsurance Premiums
* Reduction of Homeowner Deductible Liability
 |
| Measured Benefits | * 55% were eligible for insurance savings without making an improvement
* Reduction of Total Insurance Industry Liability
* Savings in Total Florida Hurricane Catastrophe Fund Premiums
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Source: Departmental responses to specific information requests

***Findings***

Pursuant to statute, TCC is to report annually as to whether there has been an increase in availability of insurance products to owners of manufactured or mobile homes. TCC has not evaluated whether this has occurred.

Strong oversight and performance measures are needed to ensure accountability and that limited funds are being used in the best means possible to obtain maximum return on investment to the state.

Only MSFH has developed and instituted a method of measuring the effectiveness of the program.

Currently, applicants must apply to several agencies to obtain hazard mitigation assistance.

Of the $2.8 million appropriated for the tie-down program, TCC retains $150,000 and its contractor $50,000 for administrative expenses.

The mission of the Division of Emergency Management is to ensure that Florida is prepared to respond to emergencies, recover from them, and mitigate against their impacts.

***Recommendation***

Consolidate all mitigation programs under DEM and create a program that provides competitive grants to local government and non-profits for mitigation activities.

* Transfer the MSFH program to DEM.
* Abolish the Residential Construction Mitigation Program and redirect funding to MSFH.
* Revise the MSFH grant process to distribute all funds appropriated for hurricane loss mitigation to the local governments and non-profits through a competitive grant program for retrofitting homes that uses transparent awarding criteria and demonstrates measurable benefits.
* Measures of performance should include but not be limited to, reduction of exposure to the Florida Hurricane Catastrophe Fund, savings in homeowner insurance, increase in the availability of insurance, and leveraging of local and/or federal funds.
1. DCA operates a Hazard Mitigation Planning program, intended to help local governments integrate hazard mitigation principles into their comprehensive plans. [↑](#footnote-ref-1)
2. DEM also provides federal disaster relief directed to supplement the efforts of state and local governments to restore public infrastructure following a disaster and serves as the State Coordinating Agency for the National Flood Insurance, Flood Mitigation Assistance, Repetitive Flood Claims and Severe Repetitive Loss programs. [↑](#footnote-ref-2)