



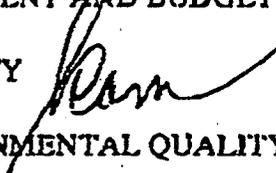
EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

February 18, 1997

MEMORANDUM TO ARMY CORPS OF ENGINEERS  
DEPARTMENT OF AGRICULTURE  
DEPARTMENT OF COMMERCE  
DEPARTMENT OF HOUSING & URBAN DEVELOPMENT  
DEPARTMENT OF THE INTERIOR  
DEPARTMENT OF TRANSPORTATION  
ENVIRONMENTAL PROTECTION AGENCY  
FEDERAL EMERGENCY MANAGEMENT AGENCY  
SMALL BUSINESS ADMINISTRATION

FROM:

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DIRECTOR  
OFFICE OF MANAGEMENT AND BUDGET

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CHAIR  
COUNCIL ON ENVIRONMENTAL QUALITY

SUBJECT:

Floodplain Management and Procedures For Evaluation and Review of  
Levee and Associated Restoration Projects

Purpose:

The purpose of this guidance is to ensure that agencies fully consider relevant options, including non-structural alternatives, during evaluation and review of levee repair and reconstruction projects and associated restoration necessitated by 1996 and 1997 floods. It is also our intent to ensure that relevant organizations have the opportunity to comment on project specifications and suggest appropriate modifications.

The overall goal is to achieve a rapid and effective response to damaged flood and floodplain management systems that will minimize risk to life and property, while ensuring a cost-effective approach to flood damage mitigation and floodplain management and the protection of important environmental and natural resource values that are inherent to the floodplain and adjacent lands.

This guidance is not intended to deny any party access to existing programs for levee repair and associated restoration, where that is in accord with sound financial and

environmental practices, nor to create unnecessary or avoidable delays. On the contrary, it recognizes that there are ongoing short-term measures that must be taken to restore and maintain appropriate levels of protection for this flood season and that these efforts must be implemented as expeditiously as possible.

Background:

In the past several years, severe flooding problems have drastically affected many parts of this Nation. In response to the Midwest floods of 1993 and other floods since then, the Administration has worked to improve our flood and floodplain management policy in order to reduce the loss of life and property caused by floods, and to restore the natural resource and functions of floodplains.

An important tool in development of Administration policy has been the 1994 report on improving Federal flood response and floodplain management that was produced for the interagency task force created to deal with the 1993 Midwest flooding. Entitled *Sharing the Challenge: Floodplain Management into the 21st Century*, this work established three broad policy goals:

- Share responsibility for floodplain management among all levels of government and with all citizens of the Nation;
- Act sequentially to avoid, minimize, and mitigate flood and floodplain damage; and
- Organize better government response to floods and floodplain management needs.

These goals are embodied in the guidance procedures described below.

Guiding Principles and Lessons Learned:

This guidance reflects lessons learned and policies established in the last four years. It should be viewed as an opportunity and a mandate to consider long-term alternatives with input from Federal, State, Tribal, and local interests. As stated above, however, it is not intended to deny any party access to existing programs for levee repair and associated restoration, where that is in accord with sound financial and environmental practices, nor to create unnecessary or avoidable delays.

In acting upon applications for levee repair and associated restoration of damages incurred as a result of the Pacific Northwest, Northern California, and other floods of 1996 and

1997, consistent with existing authorities, appropriate Federal agencies shall follow the procedures below:

- Drawing on the example set by the Disaster Field Office structures instituted during the 1993 Midwest floods, which provided quick, effective coordinated response to flood situations, interagency levee and associated repair coordination teams shall be established as soon as possible after a flood event to review all proposals for repair and restoration of flood damaged levees and associated systems. These teams will include a representative of each involved Federal agency and appropriate State, Tribal, and local agencies. The Army Corps of Engineers will ensure that the teams are established and meet regularly to resolve issues.
- Using the process developed over the past few years, each proposal shall be made available to the interagency levee and associated repair coordination team for a target minimum of 24 hours prior to final agency action, so that the teams may review and comment. Agencies shall take team comments, as well as all applicable State and Federal laws and regulations, into consideration, and take appropriate action when making final project decisions.
- Agencies shall coordinate scientific activities and the development of information among other Federal, state, and local agencies in order to build a basis for improved floodplain management strategies and implementation of restoration schemes.
- Each agency shall, in evaluating applications for levee repair and associated restoration, follow priorities established in 1993 by considering, to the extent appropriate and practicable, nonstructural alternatives and design modifications that could:
  - reduce future flood damages to the applicant and adjacent upstream and downstream localities;
  - lower long-term cost to the taxpayers;
  - improve environmental conditions, including water quality; and
  - assist public and private landowners in fulfilling their conservation objectives or obligations related to protected species, wetland restoration, and riparian habitat protection.

It is noted, in particular, that the Water Resources Development Act of 1996

modifies one of the major Federal emergency flood control repair and restoration authorities to emphasize consideration of nonstructural alternatives. All Federal agencies shall make full use of such authorities to consider nonstructural alternatives to levee repair and rehabilitation. Such nonstructural alternatives may include the acquisition or "buyout" of properties in the floodplain, an alternative which was successfully implemented following the Midwest Floods of 1993 and has already shown reductions in the cost of damage in succeeding floods. This approach is consistent with the policy expressed in the Hazard Mitigation and Relocation Assistance Act of 1993.

- As consistent with existing authorities and Administration policies, agencies shall, when evaluating levee repair and associated restoration proposals, work to address flood damage reduction on a system-wide or watershed basis. They shall consider compatibility with existing local or regional floodplain management and ecosystem restoration plans. Where relevant, agencies shall ensure proposals are compatible with approved forest land and resource management plans. In addition, agencies may take advantage of opportunities to use their authorities, in cooperation with the other participating agencies, to conduct work supportive of the overall health of the watersheds in the upland areas draining into the streams and tributaries subject to flood restoration work.
- In evaluating applications for levee repair and associated rehabilitation, each agency shall follow the policies established by the Administration and consider, to the extent practicable, how the levee repair and associated rehabilitation may be modified or enhanced to achieve environmental protection and restoration. All Federal agencies shall make full use of their authorities in identifying and implementing modifications to levee repair and associated rehabilitation proposals to achieve enhanced environmental values, including those that would improve fish and wildlife habitat, species diversity, and water quality, and reduce risks of future flood damages.
- Agencies shall continue efforts to encourage State, Tribal, and local community involvement and assumption of responsibility for current flood response and future floodplain management. Specifically, agencies shall:
  - coordinate with State, Tribal, and local organizations whenever possible;
  - act in accordance with existing community floodplain management and hazard mitigation plans;
  - encourage development of such plans as part of flood response proposals;

- encourage States and Tribes to help take responsibility for non-Federal levees; and
- work with State and local agencies to coordinate scientific activities and the development of information to assist in response and restoration efforts.

Additionally, agencies may, consistent with existing authorities:

- institute State, Tribal, and local cost-sharing in recovery, response, and mitigation activities; and
  - make levee repair and associated restoration funds available to states for use in implementing alternative damage-mitigation plans.
- In undertaking mitigation activities for Federal losses, agencies shall seek to comply rigorously with Executive Order 11988 by avoiding and or minimizing future floodplain damage through use of alternative floodplain management planning. A copy of E.O. 11988 is attached.
  - Continuing through August 1997, each agency shall report on a monthly basis through the appropriate Assistant Secretary level office to the Office of Management and Budget on the status of levee repair and associated restoration, including: applications received, comments received, actions taken, and dollars spent.

If you have any questions about this guidance, please contact T. J. Glauthier (Program Associate Director for Natural Resources, Energy, and Science) or Rick Mertens (Chief, Water and Power Branch) at OMB, or Tom Jensen (Associate Director for Natural Resources) at CEQ.

Attachment