Occasionally an applicant may determine that the public welfare would not be best served by restoring a damaged facility or its function to the pre-disaster condition. This usually occurs when a facility was being used in a capacity not consistent with its original design (such as a gymnasium that was converted to office space) or when the service provided by the facility is no longer needed (such as a low volume road or bridge located within a short distance from a high capacity structure). A portion of the costs associated with repairing such facilities may still be eligible for public assistance funding when the applicant proposed to use the money for an Alternate Project.

The allowance of alternate projects gives the applicant flexibility to use funds for public benefits to work on another facility when the damaged facility is obsolete. The alternate project option may be proposed for both small and large projects, but only for permanent restoration projects. Debris removal and emergency protective measures are not eligible. All alternate projects must be approved by FEMA. Such projects are only eligible for 90% of the Federal share of the costs that would be associated with repairing the damaged facility to its pre-disaster condition, or the actual costs of completing the alternate project, whichever is less.

**Possible Alternate Projects include:**

- Repair or expansion of other public facilities.
- Construction of new public facilities.
- Purchase of capital equipment.
- Funding of hazard mitigation measures

Funding may not be used for operating costs or to meet the State or local share requirement on other public assistance projects or projects that utilize other Federal grants. 405 Hazard Mitigation funds cannot be applied to an alternate project.

References: Section 406 (c)(1) of the Stafford Act
44 CFR & 206.203 (d)(2)