Applicants performing restoration work on a damaged facility may use the opportunity to make additional improvements while still restoring the facility to its pre-disaster condition. For example, an applicant might propose laying asphalt on a gravel road or replacing a firehouse that originally had two bays with one that has three. Projects that incorporate such improvements are called **Improved Projects**. For the most part, these are projects in which the funding for approved work cannot be tracked within the improved project because of physical changes or contracting arrangements.

An improved project may be requested for both small and large projects, **but must be approved by the state prior to construction**. Any project that may have an environmental impact, i.e., one which is not essentially to pre-disaster configuration, must be reviewed by FEMA. State approval must be held pending such review. Federal funding for such project is limited to the Federal share of the estimated costs that would be associated with repairing the damaged facility to its pre-disaster condition. The balance of the funds is the responsibility of the State and applicant. Funds to construct the improved project can be combined with a grant from Federal agency; however, Federal grants cannot be used to meet the State or local cost-share requirement.

If the original facility is being repaired and improvements are being added, Section 406 Hazard Mitigation funding may be applied to the original facility. If the improved project involved is a new facility, Section 406 Hazard Mitigation funding may not be applied to that project.

References: 44 CFR & 206.203(d)(1)
Public Assistance Guide, FEMA 286, Pages 27-28