Exhibit C

Capacity Factor

State of Iowa

A. General Management Capacity

The State of Iowa's Department of Economic Development (IEDA) will act as the grantee. IEDA has managed the State CDBG Program since the 1980s, and successfully administered nearly $1 billion in 2008 CDBG-DR funding. IEDA will be supported in managing HUD funding by the Iowa Homeland Security and Emergency Management Department (HSEMD) and the City of Dubuque. IEDA has in place policies and procedures which are annually monitored by HUD for compliance with overall grant/project management, and has established systems related to the procurement of contractors and professional services, quality assurance, financial management, project monitoring, reporting, and other federal requirements specific to CDBG-DR grants.

IEDA works with multiple organizations in reducing flood-risk in urban and rural settings. IEDA coordinates with HSEMD on disaster recovery and hazard mitigation activities. HSEMD manages multiple technical partners and funding streams in the implementation of large-scale disaster recovery and hazard mitigation projects. Within the disaster recovery framework, HSEMD assigns roles and responsibilities with the understanding that procedures will be put in place to operate across agency boundaries. These mechanisms reinforce agency accountability through monitoring and reporting. For example, the State Hazard Mitigation team, coordinated by HSEMD, has functioned under Iowa Administrative Code chapter 29C for more than 20 years with federal, state, local, and private partners to plan for, develop and implement sustainable mitigation practices and projects.

IEDA also partners with the City of Dubuque as an entitlement community in disaster recovery. Through its Green & Healthy Homes Initiative (GHHI), the City is working collaboratively across service providers and silos of funding to remove barriers to create healthier homes and livable communities. GHHI focuses on improving low-income neighborhoods with significant pre-1940 properties, resulting in poor indoor air quality, mold, and energy efficiency issues.

HSEMD prepared the application in coordination with IEDA, City of Dubuque, Iowa Flood Center at the University of Iowa, Iowa Water Center at Iowa State University, Iowa Department of Natural Resources, and

Iowa Department of Agriculture and Land Stewardship (IDALS).

B. Cross-disciplinary Technical Capacity

The State of Iowa will utilize several agencies' technical capacity for project scoping and implementation. HSEMD will be responsible for coordinating and implementing statewide watershed activities. HSEMD is the lead agency for mitigating the impacts of hazards, and recovering from disasters that impact Iowa. HSEMD oversees all FEMA grant management and administrative activities. HSEMD has dedicated staff that will work directly with communities across the impacted region to implement best management practices and engineered solutions for runoff water retention. The DNR is responsible for state and federal laws that protect air, land and water through technical assistance, permitting and compliance programs. As the state water regulatory agency, DNR uses a science-based approach to analyze and implement improvements on Iowa's lakes through partnerships and identifies and assists private landowners to improve watersheds. IDALS is responsible for state leadership in the protection and management of soil, water and mineral resources, as well as assisting soil and water conservation districts and private landowners to meet their agricultural and environmental protection needs.

Iowa Flood Center (IFC) at the University of Iowa was established in 2009 with the goal of improving flood monitoring and prediction capabilities in Iowa, and has since developed a flood forecasting system for 1,000 communities. IFC staff has expertise in developing small- and large-scale computational mathematic models to understand hydrology within watersheds. IFC also has unique expertise in monitoring and instrumentation. IFC has deployed, in partnership with HSEMD, watershed coordinators and community leaders, over 200 low-cost stream-stage sensors to monitor river and stream levels to enhance early warning systems for flooding. IFC is experienced in deploying water quality, precipitation, groundwater, and soil moisture instrumentation to understand and quantify the impact of best management practices.

Watershed Management Authorities (WMAs) are created by an intergovernmental agreement among multiple local governments within one watershed. WMAs bring stakeholders together to compile multi-faceted solutions to flooding and water quality concerns across watersheds and between jurisdictions. There are 11

WMAs operating across Iowa within specific 8-digit hydrologic unit code (HUC) watersheds. The Iowa Water Center at Iowa State University has substantial expertise regarding agricultural management and conservation practices, agro-ecosystem modeling, GIS, remote sensing, development and implementation of custom computer algorithms, and big data management, and has access to outreach and communication resources

The City of Dubuque will support implementation of model neighborhood-scale activities that protect low-income housing from flooding. Dubuque is a full-service municipality responsible for inspection of building construction, civil engineering, economic development, stormwater management, health services and programming, housing and community development, neighborhood outreach and community engagement, zoning, and sustainability and resiliency planning and implementation.

A multi-discipline program management team will be established to provide input in addressing unmet recovery needs and assisting communities in redefining their issues outside normal thought boundaries, reaching solutions based on a new understanding of a complex situation.

All project partners have a wealth of experience conducting multi-disciplinary work. HSEMD works with multiple entities during the disaster recovery process that contribute to a community's recovery with their own resources and skill sets. As the coordinating entity in recovery, HSEMD is able to communicate with and strengthen relationships among these entities to achieve recovery objectives. The DNR engages state and federal agencies, soil and water conservation districts, Iowa State University, industry and agricultural organizations, local governments, recreation and sporting organizations, and agricultural groups to implement the state's watershed programs. IDALS works with watershed-based programs and projects and has worked collaboratively with DNR in watershed efforts for more than 25 years.

With nationally-recognized expertise in water resources, IFC has developed multiple partnerships to tie science and engineering analysis to real-world impacts in communities. This includes partnerships with federal, state and local governments, producer groups, private businesses, and non-profits, as well as other academic partners. Iowa Water Center staff brings together agronomists, agricultural engineers, geographers, and data scientists to leverage the expertise of all team members for optimized project performance.

WMAs convene cities, counties, Soil and Water Conservation Districts, and other stakeholders to cooperatively engage in watershed planning and management. Over $1.7 million in competitive grants have been awarded to WMAs. These funds were used to develop comprehensive watershed management plans.

Implementation of the Bee Branch Healthy Homes Resiliency Plan is supported by a multi-disciplinary team drawn from Dubuque's Housing & Community Development, Engineering, Health Services, Planning Services, and Building Services departments, as well as the Neighborhood Development, Sustainability, and City Manager's Offices.

In the State of Iowa, HSEMD facilitates emergency management planning in six regional planning districts. HSEMD also led a statewide effort in 2013 to assess resiliency vulnerabilities and gaps, and developed and is implementing the comprehensive *Iowa Strategy for Homeland Security and Emergency Management 2015-2017* to help communities prepare for natural and man-made hazards. The DNR and the WMAs develop comprehensive, multi-objective watershed plans to assess flood risk, develop strategies to improve water quality, educate residents on watershed management, and coordinate stakeholder engagement while securing funding to implement projects. The Iowa Water Center has designed a statewide framework for data collection and workflow for data analysis. This procedure was originally implemented more than a decade ago, and is being rewritten with data of improved quantity and quality. IFC regularly works with IEDA to implement projects and practices that provide protection against future floods. Their work is critical to Iowa's economic and environmental recovery and resilience in future disasters. The implementation of project activities will be assisted by the IFC's existing resources and vast experience in large-project management within HUC-8 watersheds.

Dubuque adopted a Comprehensive Plan in 1995, which has been updated through community engagement processes in 2002 and 2008. The City was an active participant in creating the Dubuque County Regional Comprehensive Plan, which involved six other cities and played a leading role in developing the Catfish Creek Watershed Management Plan. Dubuque was selected in March 2015 to receive EPA Brownfields Area-Wide Planning funding for the revitalization of its South Port. Partners bring the following capacities to the project:

- Data analysis: IFC and the Iowa Water Center will provide data analysis for project site selection, and deploy monitoring instrumentation to assess the impacts of each project for water quantity and quality. Staff will actively engage in identifying approaches to address remediation of damage caused by extreme weather events.
- Public works: The Iowa Association of Counties (ISAC), Iowa Department of Transportation (DOT), and the DNR will coordinate efforts among county supervisors, engineers, and emergency management. The DNR and DOT will provide technical assistance through permitting, and compliance programming to move projects forward.
- Affordable housing: Dubuque's Bee Branch Watershed encompasses historic neighborhoods that include affordable workforce housing. The City's Housing and Community Development Department is adept at administering CDBG funds to support affordable housing, and is prepared to quickly launch improvements at the neighborhood-scale that improve the resiliency of low-income residential structures.
- Environmental quality: IDALS and the DNR, through over 20 years of collaboration on watershed projects, will provide farmers and landowners with financial and technical assistance to install practices that preserve Iowa's highly productive soil, prevent erosion, and protect critical waterways. The DNR carries out the regulatory requirements of protecting Iowa's air, land, and water quality.
- Community engagement: In partnership with State agencies, the IFC, the WMAs, the Nature Conservancy, the Iowa Soybean Association, the Iowa Heritage Foundation, and the Iowa Agricultural Water Alliance will engage land owners and communities in local conservation practices and provide access to land protection tools.
- Design: IFC working with the WMAs and DNR as well as other State and federal watershed programs will design site specific projects that deliver multi-benefit objectives. Progress will be monitored and measurable for success in peak flow reduction.
- Engineering: ISAC, the DNR, the DOT, and IDALS will work together for engineered solutions. Scientists and Engineers at IFC and the Iowa Water Center will provide technical support from project scoping to

implementation.

The IFC, as the nation's only academic center devoted to flood-related science, is engaged in multiple projects that seek to understand the implications of a changing climate. One such project with the Federal Highway Administration focuses on the potential climate impacts to Iowa's aging road and bridge infrastructure, but could be expanded to assess the impact of climate on urban and agricultural land use plans, railways, utility distribution systems, and additional infrastructure networks.

The Iowa Water Center is also well-positioned to evaluate the effects of climate change on future soil erosion in Iowa and the Midwest. Currently, it uses daily weather data to calculate and report precipitation, runoff and soil erosion. If climate projections of sufficient temporal scale are made available, such data could easily be utilized to predict daily runoff and soil erosion under future climate scenarios. The model could also be altered in order to assess the effects of different agricultural management practices and the interactions between climate change and land use change.

Iowa recently updated its analysis of impediments to fair housing in which state data was analyzed for racial or economic disparities. The State annually contracts with the Civil Rights Commission to conduct education and outreach, fair housing testing on discrimination, and fair housing filings and closures.

Dubuque's Human Rights Department also has experience working with civil rights and fair housing issues, including working with data to analyze racial and economic disparities. The City is partnering with 37 partner organizations across the community in a network called Inclusive Dubuque. That network is in the process of developing a community-wide equity profile. The profile will report on how racially and ethnically diverse groups are affected by various systems in the community, including economic opportunity, housing, neighborhood safety, education, health, transportation, and arts and culture. Action planning to address disparities will begin later this year.

Excellent program design quality will be achieved through a cross-disciplinary approach within the program management team. HSEMD, acting as the program lead, will ensure that any potential activities align with the state's long-term disaster recovery and mitigation goals outlined in the 2013 Enhanced State Hazard Mitigation

Plan. The identified partners will ensure the technical design quality of the program activities. The IFC, through highly-detailed mathematical models of each watershed constructed to assess the impacts of each project, understand the delicate conditions within each watershed, and assess the impacts a changing climate may have at the watershed scale. The results from implementing practices, monitoring, and modeling the target watersheds will provide an innovative framework to disaster resiliency that will be expanded and customized for any watershed in Iowa.

HSEMD is collaborating with the Natural Resources Conservation Service (NRCS) to reach out to recently retired professional engineers, civil engineering technicians, and soil conservation technicians within the state. By building and maintaining a list of potential "boots on the ground" contractors, the project will not be slowed by partnership issues. Monitoring and project implementation will also be enhanced by reaching out to similar organizations with retired members who may have the time and background to contribute to this effort.

The program management team will determine cost reasonableness based on activity type. Infrastructure projects will be evaluated through FEMA's benefit cost analysis software. Environmental activities will be coordinated through the IFC modeling analysis and Iowa State's DEP model. The cost-benefit analysis for the DEP model has two phases: identification of costs to implement the project, and identification of potential benefits to partners and stakeholders. This basic approach is valid because implementation cost and potential benefit can be easily identified. HSEMD project officers have extensive experience using the FEMA BCA methodology and are recertified through FEMA EMI coursework every two years. IFC and Iowa State's DEP team are nationally recognized for their work in this field and have the sufficient scientific background to prove the cost reasonableness.

c. Community Engagement

Iowa will demonstrate a sustained commitment to community engagement throughout project activities. IEDA and HSEMD have an ongoing technical assistance relationship with nearly every community in Iowa. The establishment of the 2014 Long-Term Recovery Task Force, coordinated by HSEMD, organizes entities to support long-term recovery from the federal to local level based on the identified needs and vulnerable

populations. HSEMD participates in the local mitigation planning process to assist with the development and prioritization of needs and opportunities. HSEMD currently maintains an unmet needs list from this interaction for future funding opportunities. Through the coordination of local mitigation planning, HSEMD is able to gather ideas and quickly identify resources that support project design and implementation. Feedback will be incorporated through the review of current local mitigation plans, comments received at public hearings, and through coordination with the WMAs. Outreach will be conducted to keep stakeholders engaged as the project is implemented. This will include local communities and entities directly affected by the proposed activities to address concerns and questions.

All partners will support community engagement efforts. The IFC is highly engaged with community members, and will support the project by presenting science in a meaningful and understandable way. The Iowa Water Center will engage community stakeholders through multiple extension and outreach outlets, including the Iowa Water Conference, an annual event hosted by the Iowa Water Center. This conference provides a venue to disseminate information, foster dialogue and receive feedback relative to recent and ongoing project developments. The City of Dubuque will also support outreach efforts. In 2013, Dubuque hired a Community Engagement Coordinator who is equipped to implement the organization's community engagement strategy. A cross-departmental staff team has developed a community engagement model and techniques that will be implemented in the Bee Branch Healthy Homes Resiliency Plan.

Iowa empowers community leaders through the long-term disaster recovery process. IEDA, HSEMD, DNR, IDALS and many others partner to provide technical and planning assistance to local communities. These agencies assist in identifying funding opportunities for project implementation and unmet recovery needs. This assistance provides community leaders the tools for effective decision making after a hazard event. The Iowa Soybean Association, The Nature Conservancy, the Iowa Natural Heritage Foundation, and the Iowa Agricultural Water Alliance utilize their relationships with landowners to coach and encourage local conservation practices. The IFC in coordination with the WMAs include local decision makers in project scoping for successful outcomes.

HSEMD's experience includes providing the strategic direction of the long-term recovery process, which includes the cycle of preparedness, response, recovery, and mitigation. HSEMD assists with the identification of the challenges facing a community in implementing recovery and risk-reduction activities. Best practices are provided to a broad range of entities engaging in this process. Partners with technical expertise deploy to engage local leaders during the consultation and implementation phases of a project.

The Iowa Water Center's experience includes relating to diverse community groups and communicating complex concepts in understandable terms. The Iowa Flood Center, in partnership with the WMAs, also continuously engages local leaders in watershed management and flood-risk reduction issues in partnership with HSEMD. The resulting structure is a private-public partnership engaging in long-term recovery at the local level.

d. Regional or multi-governmental capacity

IEDA and HSEMD work comprehensively through Hazard Mitigation Assistance (HMA) and the state-funded Flood Mitigation Board to address regional flooding issues. Since the devastating flood events of 1993 and 2008, retrofitting projects for critical facilities and infrastructure, as well as the acquisition and/or relocation of flood impacted residential and commercial structures are a top priority for the State of Iowa. More than $1.2 billion have been dedicated to these actions.

The City of Dubuque participates in a number of regional initiatives including: Dubuque Metropolitan Area Long-Range Transportation Plan, Comprehensive Economic Development Strategy, Dubuque County Regional Comprehensive Plan, Prosperity Eastern Iowa, Catfish Creek Watershed Management Plan, Dubuque County Comprehensive Emergency Management Plan, and Dubuque County Multi-Jurisdictional Hazard Mitigation Plan.

Iowa's proposed approach to resiliency requires regional solutions to address unmet recovery needs. The benefits will reach a larger population and be more cost effective than the stand-alone, infrastructure-based solutions. From the hazard mitigation planning framework to project design, multiple partners are engaged to bring the best hydrology modeling forward for stakeholder consideration. Public hearings will be held to discuss

the approach and potential solutions to the hazard. Community leaders will engage citizens directly affected by the effort to provide comments and feedback for consideration. Partners will also utilize best management practices in their respective fields to design and implement multi-benefit solutions for flood risk reduction.

Partners are already working regionally to address resiliency. Dubuque, for example, participates in a number of regional initiatives to mitigate future events. Regional strategies include: transportation, economic development, watershed management, emergency management, and hazard mitigation. Proactive mitigation planning at the local level can help reduce the cost of disaster response and recovery to property owners and government by protecting critical community facilities, reducing liability exposure and minimizing overall community impacts and disruption.

Iowa, in partnership with United Way's 211 programs, facilitates assistance to vulnerable populations during disaster events. This framework will be utilized to communicate resiliency initiatives in target areas. As the Bee Branch project progresses, property values are likely to appreciate in the neighborhood. Many of the lower-income residents are also members of racial minorities and are more likely to rent instead of own their homes. While Dubuque is undertaking the Bee Branch Creek Restoration Project, it is also implementing asset-preservation strategies by including rental rehabilitation and homeowner rehabilitation, first time homebuyer loans programs, and affordable housing strategies to develop and preserve affordable housing to sustain an economically integrated neighborhood. The City will follow an anti-displacement and relocation strategy that hinges on maintaining a household's current residence whenever possible but also providing relocation assistance when necessary. To preserve tenants in private-market rentals, the City's new housing inspection fee schedule provides incentives for property owners renting to Section 8 voucher holders. The city also provides rehabilitation loans and tax abatements to landlords in return for maintaining affordability.

HSEMD will form a new multi-agency program management team to design and implement projects that address unmet recovery needs in the target areas, and refocus resiliency efforts on source identification of the flood hazard. That relationship between source and impact will be the basis for moving disaster resiliency forward from the local community to a statewide approach.