



# Resolution to Acquire Landslide-Affected Properties

Gordon Brenner, Recovery Coordinator

Jen Vance, Grants Manager

Darlene Kennedy, Real Estate Services Manager



# 2015 Landslide Summary



- During the months of May – June 2015, the City of Colorado Springs received a record setting amount of rainfall, leading to Presidential Major Disaster Declaration 4229
- The heavy rains triggered several landslides in very isolated areas on the city's west side
- The City applied for the Hazard Mitigation Grant Program (HMGP) to assist with acquisition of properties impacted by the landslides

All losses were uninsured



# Hazard Mitigation Grant Program



- The intent of the HMGP is to remove people and property from hazard areas, and to lessen repetitive loss
- The HMGP provides grants to States and local governments to implement long-term hazard mitigation measures after a major disaster declaration
- Funding is authorized under Section 404 of the Stafford Act



- HMGP can fund many activities related to hazards, including property acquisition
- Properties obtained through HMGP must be converted to open space, and maintained as open space in perpetuity
- FEMA awards the HMGP funds to the Applicant (State of Colorado), which disburses those funds to its sub-applicants (City)

# HMGP Funding



- FEMA funds up to 75 percent of the eligible cost of each project
- The HMGP requires a 25 percent match of eligible costs, which will be met through a combination of sources



# Sample Acquisition



## Property appraised at \$250,000

All costs are estimates and for display purposes only.

Each acquisition could vary based on actual line item costs.

Project Category	Total Budget	Federal Share	Local Share (Property Owner)	In-Kind Contribution	Payment to Property Owner
Property Acquisition	\$ 250,000	\$ 187,500	\$ 62,500		\$ 167,950
Title Search and Appraisals	\$ 4,000	\$ 3,000	\$ 1,000		
Closing Costs, Insurance, Taxes	\$ 4,200	\$ 3,450	\$ 1,050		
Demolition Costs	\$ 75,000	\$ 56,250	\$ 18,750		
Professional Services	\$ 3,000	\$ 2,250	\$ 750		
Project Management	\$ 12,000	\$ 9,000	\$ 3,000		
City In-Kind Contribution *	\$ 5,000			\$ 5,000	
<b>Total Project Cost</b>	<b>\$ 353,200</b>	<b>\$ 261,450</b>	<b>\$ 87,050</b>	<b>\$ 5,000</b>	<b>\$ 167,950</b>
<b>Cost Sharing Percentage</b>	<b>100%</b>	<b>75%</b>	<b>25%</b>	<b>~1%</b>	<b>67%</b>

\* The City's in-kind contribution is hours worked only.

\* Other volunteer time will be added as applicable



- Section 4.1 of The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests (“Real Estate Manual”) and City Code Section 7.7.1802 require City Council approval of the acquisition of a real property interest if the total acquisition amount exceeds \$50,000.00. The fair market value for the Properties is estimated to be over \$50,000 for each property and is based on real estate appraisals that were completed by an independent real estate appraiser.

- The Resolution is to authorize the acquisition of three properties
  - The three applicants have accepted the appraised value of the properties
  - We have received costs/bids for the demolition
  - The next steps involve creating the offer, completing closing, and scheduling demolition
  - These are the first applicants to reach this point in the acquisition process



- There is no impact to the City's General Fund, or other funds
- The Hazard Mitigation Grant Program's required local match of 25% will be met by (in order):
  - In-kind costs of City staff efforts (hours worked),
  - Soft match through work by voluntary agencies,
  - Reduction of offer to the applicants

- After the completion of acquisition and demolition, the properties will be converted to open space, administered by City Parks, Recreation, and Cultural Services, pursuant to the FEMA HMGP requirements

- The following properties have been identified for acquisition by the City of Colorado Springs acting pursuant to the FEMA HMGP administered by the Colorado Division of Homeland Security and Emergency Management (DHSEM):
  - 1004 Zodiac Drive (Exhibit A)
  - 1010 Zodiac Drive (Exhibit B)
  - 1200 Constellation Drive (Exhibit C)

# Exhibit A

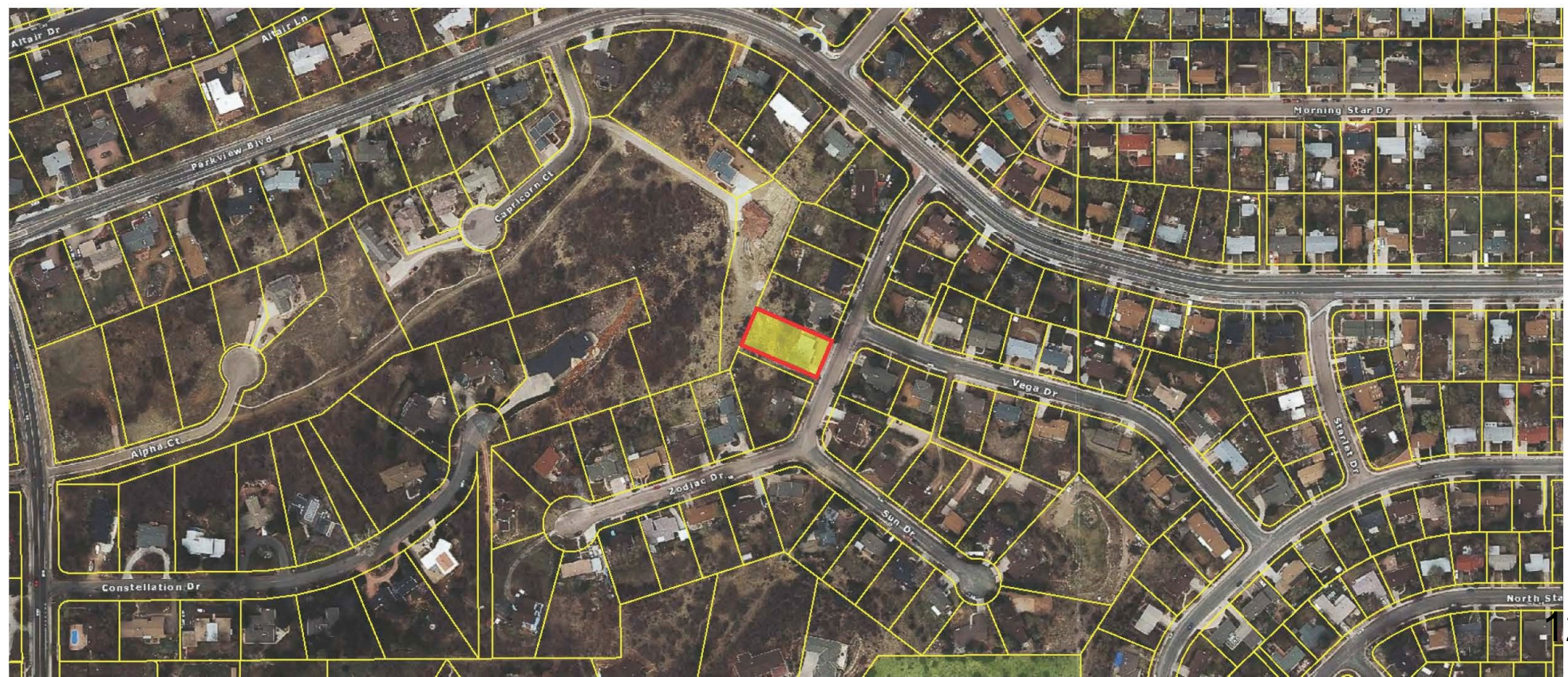


## EXHIBIT A

### *El Paso County Assessor's Office*

**1004 ZODIAC DR**  
SCHEDULE: 7423408008

COPYRIGHT 2010 by the Board of County Commissioners, El Paso County, Colorado. All rights reserved. No part of this document or data contained hereon may be reproduced; used to prepare derivative products; or distributed without the specific written approval of the Board of County Commissioner, El Paso County, Colorado. This document was prepared from the best data available at the time of plotting and is for internal use only. El Paso County, Colorado, makes no claim as to the completeness or accuracy of the data contained hereon.



# Exhibit A

Landslide Toe Over Garage



Garage Interior



Exterior

# Exhibit B



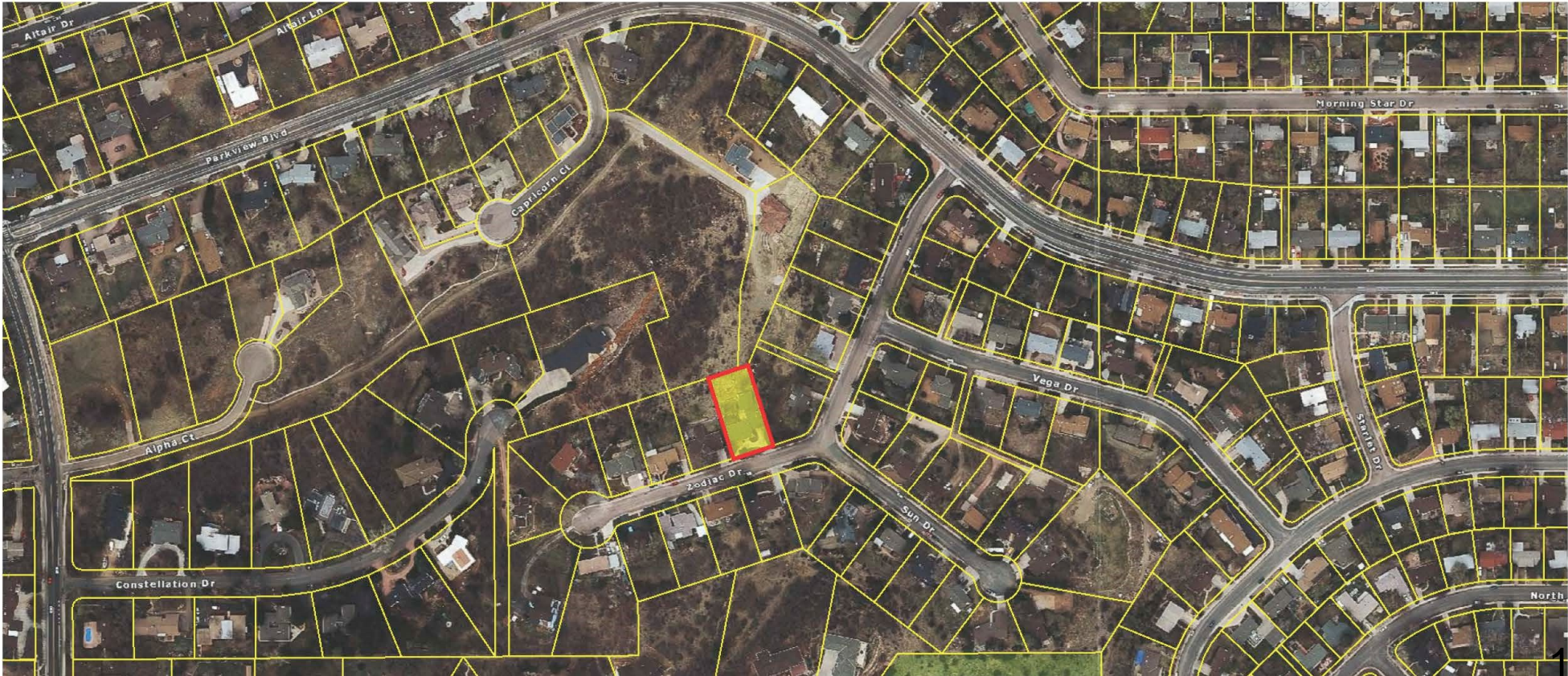
## EXHIBIT B

### *El Paso County Assessor's Office*

**1010 ZODIAC DR**

SCHEDULE: 7423408010

COPYRIGHT 2010 by the Board of County Commissioners, El Paso County, Colorado. All rights reserved. No part of this document or data contained hereon may be reproduced; used to prepare derivative products; or distributed without the specific written approval of the Board of County Commissioner, El Paso County, Colorado. This document was prepared from the best data available at the time of plotting and is for internal use only. El Paso County, Colorado, makes no claim as to the completeness or accuracy of the data contained hereon.



# Exhibit B



Exterior



Lower Level



Exterior

# Exhibit C



## EXHIBIT C

### El Paso County Assessor's Office

**1200 CONSTELLATION DR**  
SCHEDULE: 7423408089

COPYRIGHT 2010 by the Board of County Commissioners, El Paso County, Colorado. All rights reserved. No part of this document or data contained hereon may be reproduced; used to prepare derivative products; or distributed without the specific written approval of the Board of County Commissioner, El Paso County, Colorado. This document was prepared from the best data available at the time of plotting and is for internal use only. El Paso County, Colorado, makes no claim as to the completeness or accuracy of the data contained hereon.





# Exhibit C



Exterior Looking East



Exterior Looking West

- Approval of the resolution enables the City to move into the final phases of the process for the three properties
- The next steps are:
  - Assemble the offer (State of Colorado and City)
  - Set the closing (City)
  - Close (Applicant and City)
    - The properties become City property
  - Demolition and conversion to open space (City)

- The City's Office of Emergency Management requests the approval of City Council to purchase the Properties, contingent on FEMA's and Colorado DHSEM's approval for each acquisition.

# Questions

