



# 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, which are still experiencing movement to date
- The City applied for the Hazard Mitigation Grant Program (HMGP) to assist with acquisition of properties impacted by the landslides
- All losses were uninsured



- 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
Title Search and Appraisals	\$ 4,000.00	\$ 3,000.00	\$ 1,000.00		
Property Acquisition	250,000.00	187,500.00	62,500.00		167,950.00
Closing Costs, Insurance, Taxes	4,200.00	3,150.00	1,050.00		
Demolition Costs	75,000.00	56,250.00	18,750.00		
Professional Services	3,000.00	2,250.00	750.00		
Project Management	12,000.00	9,000.00	3,000.00		
City In-Kind Contribution *		-	(5,000.00)	5,000.00	
<b>Total Project Cost</b>	<b>\$ 348,200.00</b>	<b>\$ 261,150.00</b>	<b>\$ 82,050.00</b>	<b>\$ 5,000.00</b>	<b>\$ 167,950.00</b>
<b>Cost Sharing Percentage</b>	<b>100%</b>	<b>75%</b>	<b>24%</b>	<b>1%</b>	<b>67%</b>

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



- 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):
  - 4860 Broadmoor Bluffs Drive (Exhibit A)
  - 4880 Broadmoor Bluffs Drive (Exhibit B)
  - 4890 Broadmoor Bluffs Drive (Exhibit C)

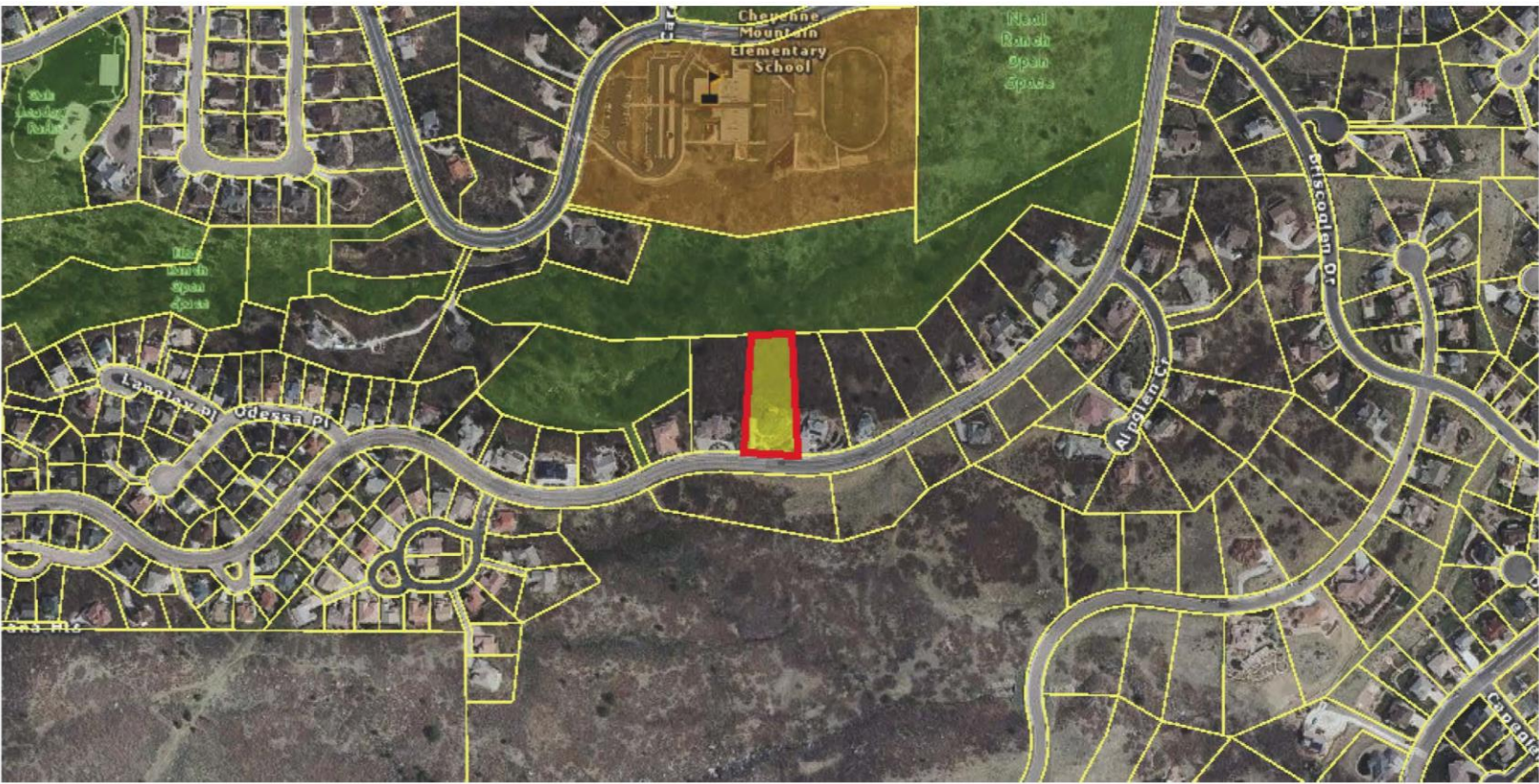
## EXHIBIT A

### El Paso County Assessor's Office

4860 BROADMOOR BLUFFS DR

SCHEDULE: 6507304025

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# Exhibit A



Lower Level



Kitchen



Exterior

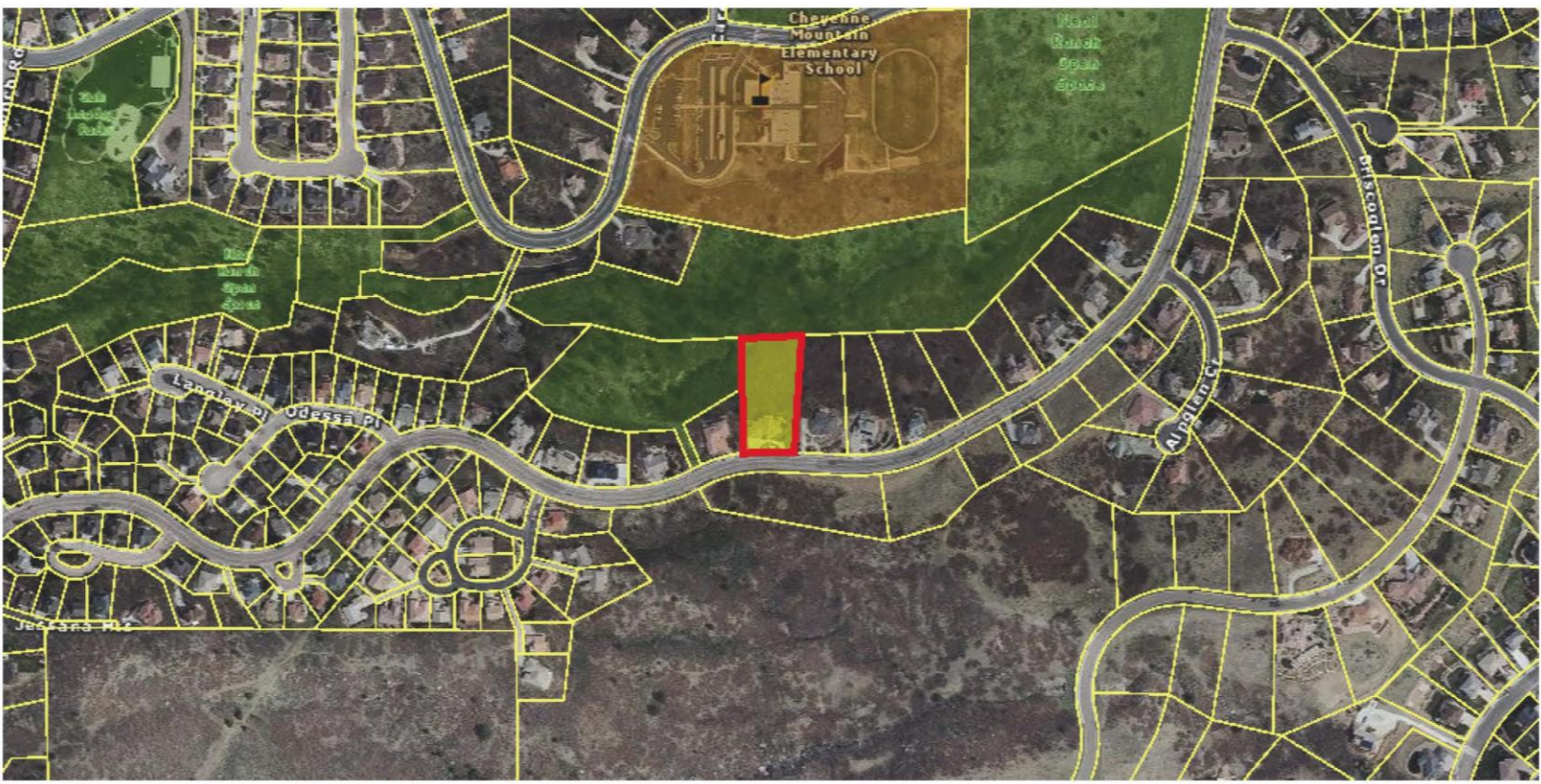
## EXHIBIT B

### El Paso County Assessor's Office

**4880 BROADMOOR BLUFFS DR**

SCHEDULE: 6507304024

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# Exhibit B



Bathroom



Lower Level



Back Patio



Exterior

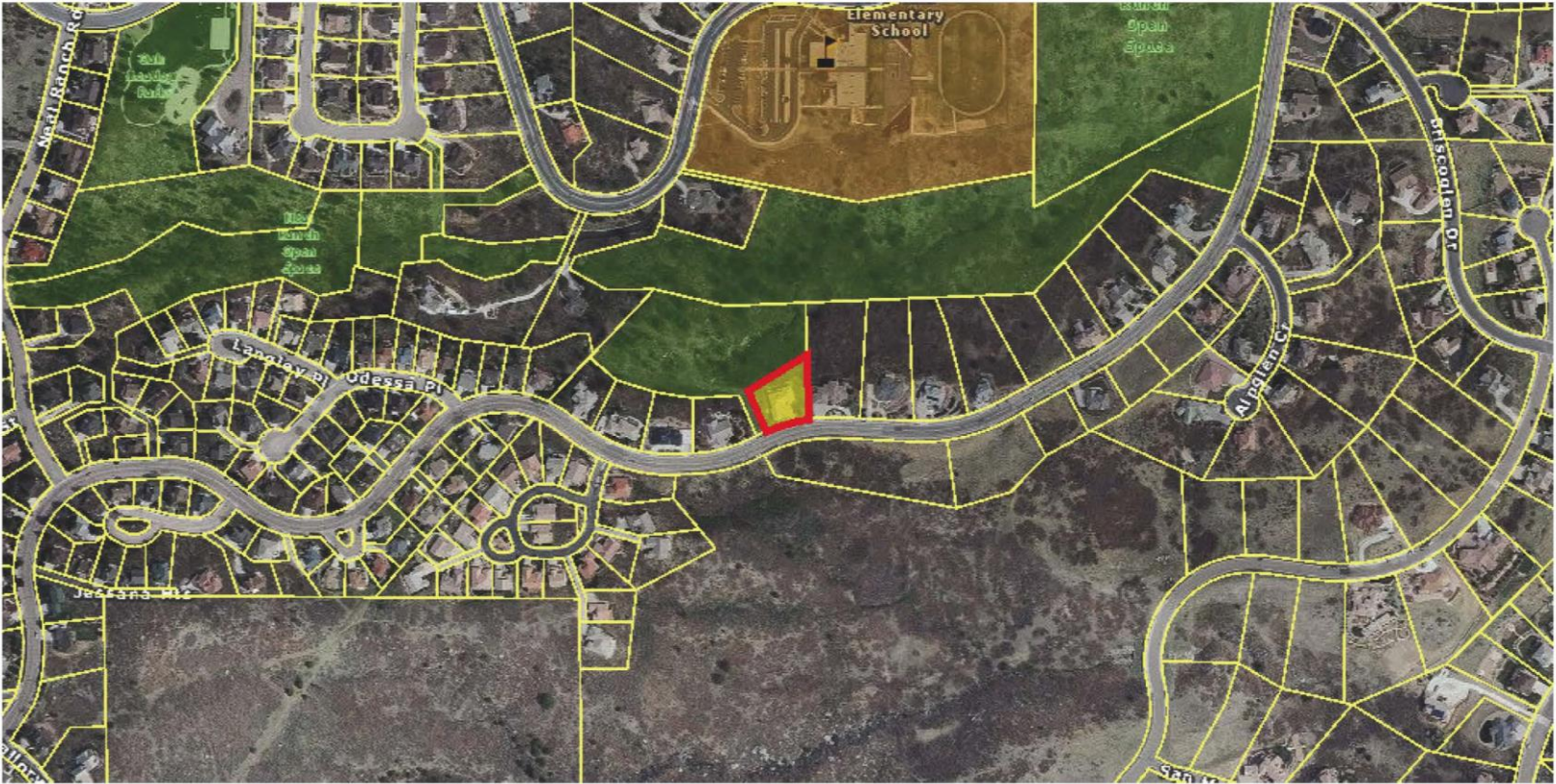
## EXHIBIT C

### El Paso County Assessor's Office

**4890 BROADMOOR BLUFFS DR**

SCHEDULE: 6507304023

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# Exhibit C



Driveway & Garage



Lower Level



Lower Level Mechanical Room



Lower Level

- 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

