

2015 Landslide Property Acquisition- Hazard Mitigation Grant Program

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Bret Waters, Deputy Chief of Staff

Jen Vance, Grants Manager



2015 Landslide Summary

- During the month of May 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.
- In preparation for the HMGP grant application, the City led a voluntary process for property owners to apply to the HMGP program for acquisition of their properties.
- The City has since applied for two grants, including the HMGP, to assist with acquisition of properties impacted by the landslides. A total of 26 properties were included in the grant applications for buyout consideration.

Hazard Mitigation Grant Program

- **The intent of the program is to remove people and property from hazard areas, and to lessen repetitive loss.**
- The Hazard Mitigation Grant Program (HMGP) provides grants to States and local governments to implement long-term hazard mitigation measures after a major disaster declaration.
- Authorized under Section 404 of the Stafford Act, HMGP was created to reduce the loss of life and property due to natural disasters.



Hazard Mitigation Grant Program

- HMGP can fund many activities related to hazard mitigation, including property acquisition.
- Properties obtained through HMGP must be converted to open space, and maintained as open space in perpetuity.

HMGP Funding

- FEMA awards the HMGP funds to the Applicant (State of Colorado), which disburses those funds to its sub-applicants (City).
- The HMGP program may provide a state with up to 15 percent of the total disaster grants awarded by FEMA under a particular disaster declaration.
- Funding is available to all eligible applicants statewide, and is therefore extremely competitive.

HMGP Funding

- FEMA can fund up to 75 percent of the eligible cost of each project.
- The program requires a 25 percent match of eligible costs, which can be met through a combination of cash and in-kind sources.



2000 Acquisitions vs. 2015 Acquisitions

2000 Acquisitions	2015 Acquisitions
City obtained one un-met needs grant from the State of Colorado/U.S. Department of Housing and Urban Development to cover the 75% Federal share.	City has sought multiple sources of grant funds to cover the 75% Federal share.
Owners provided Federally required 25% cost share for their property.	Owners provide Federally required 25% cost share for their property.
In-kind match covered remaining 25% of other project expenses .	The City is actively seeking out in-kind sources to cover the remaining 25% of other project expenses. The difference will be covered by the property owner.
27 homes were acquired (final home acquired in 2006) Total cost :\$6.5 million	26 homes included in grant applications Total estimated project cost: \$16.2 million



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	\$ 1,664.00	\$ 1,248.00	\$ 416.00		
Property Acquisition	250,000.00	187,500.00	62,500.00		175,806.25
Demolition Costs	49,092.00	36,819.00	12,273.00		
Closing Costs, Insurance, Taxes	2,793.00	2,094.75	698.25		
Professional Services	2,036.00	1,527.00	509.00		
Project Management	11,190.00	8,392.50	2,797.50		
City In-Kind Contribution		-	(5,000.00)	5,000.00	
Total Project Cost	\$ 316,775.00	\$ 237,581.25	\$ 74,193.75	\$ 5,000.00	\$ 175,806.25
Cost Sharing Percentage	100%	75%	23%	2%	70%

Funding Sought to Date

- DR-4229 (2015 Floods)
 - HMGP – Not yet determined
- DR-4145 (2013 Floods)
 - HMGP – Not yet determined
- Pre-Disaster Mitigation (PDM) -
\$5,333,333
 - Maximum Federal share of \$4 million available for PDM program with a 25% local match requirement.

Next Steps

- Continue to work closely with property owners throughout the process.
- Await funding determination from the State of Colorado for all grant funds requested.
- Begin project planning, including identification of in-kind sources.
- Once awarded grant funds, begin acquisitions.